



# PREMIER LTD.

August 29<sup>th</sup>, 2019

BSE Ltd. Floor 25, P.J. Towers Dalal Street Mumbai – 400 001	The Manager Listing Department National Stock Exchange of India Ltd. “Exchange Plaza”, C-1, Block-G Bandra –Kurla Complex Bandra (East) Mumbai – 400 051
[Scrip Code No.500540]	[Scrip Symbol: PREMIER]

Dear Sir,

**Sub: Intimation pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

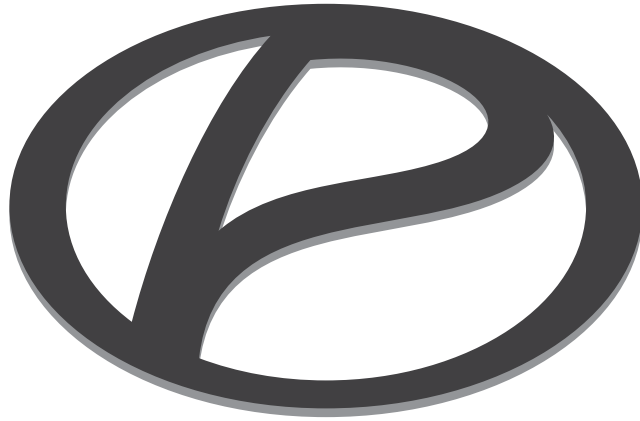
Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting the Annual Report of the company along with the Notice of the 73<sup>rd</sup> AGM of the Company.

Kindly take the same on your record.

Thanking you,

Yours sincerely,  
For Premier Ltd.

Authorized Signatory



**PREMIER LTD.**

**73RD ANNUAL REPORT**

**2018-19**



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## Regd. Office & Works

Premier Ltd., Mumbai-Pune Road, Chinchwad, Pune 411 019, India.

Tel: +91-20-66310000, Fax: +91-20-66310371

## Corporate Office

58, Nariman Bhavan, 5th Floor, Nariman Point, Mumbai 400 021, India.

Tel: +91-22-61179000/1/2, Fax: +91-22-61179003

Email: [investors@premier.co.in](mailto:investors@premier.co.in),

Web: [www.premier.co.in](http://www.premier.co.in)

Corporate Identification Number (CIN): L34103PN1944PLC020842

## Compliance Officer

Umesh J. Mistry  
Company Secretary

## Statutory Auditors

Jayesh Dadia & Associates, LLP  
Chartered Accountants

## Internal Auditors

Bolia Kavdia & Associates  
Chartered Accountants

## Cost Auditors

ABK & Associates  
Cost Accountants

## Secretarial Auditors

N L Bhatia & Associates  
Practicing Company Secretaries

## Solicitors

Kanga & Co.  
Crawford Bayley Co.  
Desai & Diwanji  
AMC Law Firm

## Registrar and Transfer Agent

Link Intime India Pvt. Ltd.  
C-101, 247 Park,  
L. B. S. Marg, Vikhroli (W),  
Mumbai - 400 083  
Tel: 022 - 49186000  
Fax: 022 - 49186060  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

# Board of Directors

**Maitreya Doshi**

Chairman &  
Managing Director  
(DIN - 00060755)

**Rohita Doshi**

Computer Engineer  
Non-Executive Director  
(DIN - 00246388)

**S. Padmanabhan**

IAS (Retd) / Advisor  
Non-Exe. Independent Director  
(DIN - 00001207)

**Dilip J.Thakkar**

Chartered Accountant  
Non-Exe. Independent  
Director  
(DIN - 00007339)

**Asit Javeri**

Industrialist  
Non-Exe. Independent  
Director  
(DIN - 00268114)

**Udo Weigel**

Machine Tool Technologist  
Non-Exe. Independent  
Director  
(DIN - 02142276)

**Ramesh Adige**

Industry  
Expert - Automotive,  
Pharma, Healthcare,  
Banking & Public Policy  
Non-Exe. Independent Director  
(DIN - 00101276)

# Senior Management Team

**K. G. Rathi**

Chief Operations Officer

**Rakesh Mehta**

Head (H.R. & Admin)

**D. S. Totre**

Head (Machines Business)

**K. S. Nair**

Head (Finance) &  
Chief Financial Officer

**A.B. Salokhe**

Head (Commercial,  
Marketing & Purchase)

**S.D. Joshi**

Head (Design &  
Development)

**N. G. Kuntoji**

Head  
(Engineering Business)

**V. R. Kothari**

Head (Sales, Marketing &  
Gear Machines)

**U. B. Nalawade**

Head (Manufacturing)

**C.B. Kale**

Head (Industrial  
Relations & Admin)

# Directors' Report

To The Members

Your directors present herewith the 73rd Annual Report and the audited accounts for the financial year ended 31st March, 2019.

## 1. Financial Results

The Company continues to face adverse financial situation due to lack of working capital. During the year under report the Company has reported loss of Rs.195.60 cr as against previous year loss of Rs.124.46 cr, after accounting for Interest of Rs. 64.90 cr, Depreciation of Rs. 29.94 cr and providing for inventory obsolesce, bad debts and impairment of fixed assets. The turnover during the year was at very low level at Rs.16.50 cr as against Rs.20.06 cr in the previous year. The Company has been facing challenging situation. However, the Management is putting its full efforts to come out of this situation and to revive the operations.

There was no change in nature of business of the Company during the year.

## 2. Debt of the Company

As reported earlier, 90% of the Secured Bank Loans have been assigned to Edelweiss Assets Reconstruction Co. Ltd. and the balance loans are with Corporation Bank. In December 2018, the Corporation Bank moved a petition before the Hon'ble National Company Law Tribunal (NCLT) at Mumbai for recovery of its dues. Thereafter, the Company arrived at a One Time Settlement (OTS) with Corporation Bank with an OTS amount of Rs. 31.17 cr. Out of this, the Company paid first installment of Rs.6.25 cr in December, 2018. The balance of Rs. 24.92 cr is payable in two installment of Rs. 16.76 cr (payable on 31.03.2019) and Rs. 8.17 cr. (payable on 30.09.2019). The Company could not pay the installment of Rs. 16.75 cr payable on 31.03.2019 due to liquidity problem. As a consequence, the Corporation Bank pressed for its petition pending before NCLT. The Management is in the process of resolving this matter.

In the meantime, the Company is in the process of monetizing the land at Chinchwad to reduce its debts and is hopeful of concluding the transaction in due course.

The necessary disclosures would be filed with the Stock Exchanges as and when there is development in this matter.

## 3. Shifting of Plant of the Company

It is important for the Company to reduce its debts by monetizing land at Chinchwad. In this direction, the Company has shifted its manufacturing operations from Chinchwad to nearby Chakan Industrial Area by taking a new plant on 10 years lease with an option to extend by a further 10 years. The full scale operations at the new plant are expected to be commenced very shortly.

## 4. Dividend

The Board has not recommended any dividend on equity shares due to losses incurred by the Company.

## 5. Operations & Management Discussion and Analysis

The current year's operations are covered in the Management Discussion and Analysis Report. This Report, as stipulated under Schedule V to the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is presented in a separate section forming part of this annual report.

## 6. Corporate Governance

The Report on Corporate Governance, as stipulated in Schedule V to the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, forms part of this Report. Further, it is stated that:

- (i) Four Board Meetings were held during the year ended 31.3.2019. The details are given in Item No 3 of the Corporate Governance Report.
- (ii) The composition of Audit Committee and other particulars are given in item No 4 of the Corporate Governance Report
- (iii) The Company has established a vigil mechanism for directors and employees to report their genuine concern and grievances. No personnel has been denied access to the Audit Committee.
- (iv) The Company has adopted Risk Assessment Procedure which provides an approach by the Management to identify potential events that may affect the Company, to manage the risk within its risk appetite and to provide reasonable assurance regarding the achievement of the objectives of the Company. The Management prioritizes the risk and finalizes the action plan for mitigation of the key risks. The Board is of the opinion that there are no elements of risk which may threaten the existence of the Company.
- (v) The number of shares held by non-executive directors as on 31.03.2019, have been disclosed in item No 7 of the Corporate Governance Report.
- (vi) The meeting of Independent Directors was held during the year pursuant to requirements under Schedule IV of the Companies Act, 2013.

## 7. Directors and Key Managerial Personnel

Mrs. Rohita M. Doshi is retiring by rotation in accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company and being eligible, offers herself for re-appointment.

In terms of SEBI Listing Regulation 17(1A), Mr. S.Padmanabhan, Mr. Dilip J.Thakkar and Dr. Udo Weigel, (whose term as independent directors is upto 11.09.2019, as approved by shareholders at the 68th Annual General Meeting) ceased to be independent directors with effect from 01.04.2019 upon attaining / crossing age of 75 years. The Board, on the recommendation of Nomination and Remuneration Committee, at their respective meetings held on 22nd June, 2019 has re-appointed these three directors for a second term of consecutive five years with effect from 9th September, 2019.

The present term of Mr Asit Javeri and Mr. Ramesh Adige as independent directors expire on 11th September, 2019. The Board, on the recommendation of Nomination and Remuneration Committee, at their respective meetings held on 22nd June, 2019 has re-appointed these two directors for a second term of consecutive five years with effect from 12th September, 2019.

Each of the Independent Directors of the Company has given a declaration under Section 149(7) of the Companies Act, 2013, to the effect that each of them meet the criteria of independence as provided in sub-section 6 of Section 149 of the Companies Act, 2013. The Board confirms that each of these Independent Directors is independent of the management of the Company and has requisite qualification and experience to act as Independent Directors for the Company and further that in the Board's opinion each of them is a person of integrity and possess relevant expertise and experience in various fields.

Mr. Ramesh M. Tavhare, aged 63 years, resigned as Head (Legal) & Company Secretary on health ground with effect from 14th March, 2019. However, he would render his services on a part time basis for some time for continuity and completing certain assignments.

Mr. Umesh J. Mistry, a member of The Institute of Company Secretaries of India, has been appointed as the Company Secretary and Compliance Officer with effect from 22nd May, 2019.

## 8. Directors' Responsibility Statement as required under Section 134(5) of the Companies Act, 2013

The Directors state that –

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year;
- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) the directors had prepared the annual accounts on a going concern basis.
- (v) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 9. Conservation of energy, technology absorption and foreign exchange earnings and outgo

The details as required under Clause-3 of Rule 8 of the Companies (Accounts) Rules, 2014, are provided in Annexure - I to the Directors' Report.

## 10. Particulars of Employees

The particulars of employees, who were in receipt of remuneration not less than Rs.60 lacs for the financial year ended on 31st March, 2019, are given below:

Name of the employee	Mr. Maitreya Doshi
Designation of employee	Chairman & Managing Director
Remuneration received	₹ 107.16 Lakh
Nature of employment	Contractual
Date of commencement of employment	16.12.1985
Qualification of the employee	MBA, BA(Eco)
Experience of the employee	34 years
Age of the employee	56 years
Last employment	-

Mr. Maitreya Doshi is related to Mrs. Rohita Doshi, Director of the Company.

The other disclosures under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and remuneration of managerial personnel) Rules, 2014, are given in Annexure - II to the Directors' Report

## 11. Auditors

M/s Jayesh Dadia & Associates, LLP, Chartered Accountants (ICAI Firm Registration Number 121142W / W100122) were appointed as Statutory Auditors of the Company for a period of five years at the 71st Annual General Meeting held on 14th September, 2017.

## 12. Cost Audit

The Board has appointed ABK & Associates, Cost Accountants (Regn.No.000036) to conduct audit of cost records for the Company's engineering machinery activities for the financial year 2019-20, on a remuneration Rs.1.65 lakh, apart from reimbursement of out-of-pocket expenses, as recommended by the Audit Committee. As required under Section 148(3) read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration approved by the Board is being placed for ratification by the shareholders at the ensuing Annual General Meeting.

## 13. Other disclosures

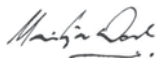
The particulars as required under Section 134(3) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014, are given below:

- (i) The Company has in place adequate internal financial controls with reference to financial statements and such controls are adequate and are operating effectively.
- (ii) The extract of the Annual Return made as on 31.3.2019 under Section 92(3) of the Companies Act, 2013, in Form MGT9, is given in Annexure - III to the Directors' Report.
- (iii) The Nomination and Remuneration Policy under Section 178(3) of the Companies Act, 2013, is given in Annexure - IV to the Directors' Report.
- (iv) The report on the Corporate Social Responsibility under Companies (Corporate Social Responsibility Policy) Rules, 2014, is given in Annexure - V to the Directors' Report.
- (v) The Secretarial Audit Report in Form MR3 prescribed under Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Section 204(1) of the Companies Act, 2013, is given in Annexure - VI to the Directors' Report.
- (vi) There are no adverse remarks made by the Auditors or the Company Secretary in practice in their respective reports.
- (vii) The Nomination & Remuneration Committee of the Board has laid down the policy on Director's appointment, remuneration and criteria for determining qualifications, independence of directors, etc. Para-7 of the Corporate Governance Report discloses the criteria for payment of remuneration to non-executive directors and details of remuneration paid to the Directors and that the Company does not have Stock Option Scheme.
- (viii) The formal annual evaluation of the Board and individual directors has been carried out at the meeting of the Independent Directors held on 11th February, 2019, as contemplated under the code for Independent Directors in Schedule VI to the Companies Act, 2013, as per the criteria laid down by the Nomination & Remuneration Committee of the Board.
- (ix) The Company has not entered into contract with related parties within the meaning of Section 188(1) of the Companies Act, 2013, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014.
- (x) The Company is not a subsidiary of any other company nor it has a subsidiary company. The Company has existing associate company namely, PAL Credit & Capital Ltd.(PCCL). The consolidated financial statements presented herewith include the financials of PCCL. PCCL has discontinued its operations due to lack of funds.
- (xi) No regulator or court or tribunal has passed any adverse significant and material order impacting the going concern status and the Company's operations in future.
- (xii) The Company has adopted policy under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has constituted a Committee as required under the Act and the Rules thereunder. No complaints were received during the year.

## 14. Acknowledgement

The Directors wish to express their appreciation of the continued support of the Company's customers, suppliers and shareholders. The Directors also wish to thank employees, at all levels, for their contribution and co-operation during the difficult situation of the Company.

On behalf of the Board of Directors



**Maitreya Doshi**

Chairman & Managing Director

Date: 22<sup>nd</sup> June, 2019

Place: Mumbai



## Annexure I to Directors' Report

**Particulars of conservation of energy, technology absorption foreign exchange earnings and outgo, as prescribed in Rule 8(3) of the Companies (Accounts) Rules, 2014.**

### Conservation of Energy -

- Steps taken or impact on conservation of energy –
  - The power factor is continuously being monitored and be maintained at 0.80 (Unity) power on daily basis. The saving is about Rs. 8.02 lakh per annum.
  - There is continuous monitoring and control of air consumption and one compressor has been switched off resulting in a saving of 1400 KWH per day and Rs. 30 lakh per annum.
  - Use of LED lights for office area, gangway and passages, etc.
- The steps taken for utilizing alternate sources of energy –
  - Light pipe - Utilization of light pipe in canteen building so that there is no need to switch on lights during the day. This light pipe transfers natural light in the given area. Electricity will no longer be required and cost is saved.

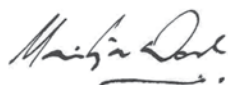
### Technology absorption -

- Efforts made towards technology absorption –
  - To cater to the needs of Automobile Industries, other Engineering industries, Railways, Defence and to be competitive in the market, specifications and features were enhanced in our product range.
  - Special focus in design of Special Purpose machines.
  - High Speed Gear Hobbing machine was developed with 0 to 180 deg Ring Loader to meet the increased demand for sprocket machining in the market. .
  - Focus on Market of VTL Machines below 1000 mm Table size. VTL machines developed with L.M. Guide-ways and offset Table.
- The benefits derived –
  - With the above technology absorption, there was improvement in product specifications, features and increase in Uptime.
  - Due to import substitution, heavy cost of imported components got considerably reduced.
  - This has improved price competitiveness of the products in the market.
- No technology imported during years.
- No expenditure incurred on Research and Development during the year.

### Foreign exchange earnings and outgo

Particulars	₹ Lakhs	
	2018-19	2017-18
<b>Foreign Exchange Earnings:</b>		
FOB Value of Exports	NIL	107.72
<b>Foreign Exchange Outgo:</b>		
Imports (CIF value)	108.24	24.43
Foreign Travel	7.76	21.25
<b>Total</b>	<b>116.00</b>	<b>153.40</b>

On behalf of the Board of Directors



**Maitreya V. Doshi**

Chairman & Managing Director

Date: 22<sup>nd</sup> June, 2019

Place: Mumbai

## Annexure II to the Directors' Report

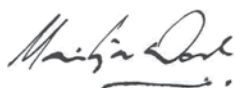
Disclosure under Section 197(12) read with Rule 5 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014

(₹ Lakh)					
Sr. No.			(2017-18)	(2018-19)	Variation (%)
1.	Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year	Median employees remuneration	4.45	4.65	
		Mr. Maitreya V. Doshi, Chairman and Managing Director	111.00	107.16	23.05 times
2.	Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer and Company Secretary or Manager, if any, in the financial year	Mr. Maitreya V. Doshi, Chairman and Managing Director	111.00	107.16	(3.45%)
		Mr. Ramesh M. Tavhare -Company Secretary-(Up to 14.03.2019)	32.25	34.50	6.98%
		Mr. K.S. Nair, Chief Financial Officer	23.76	27.00	13.64%
3.	Percentage increase in the median remuneration of employees in the financial year		4.45	4.65	-
4.	Number of permanent employees on the rolls of the Company		392	351	
5.	The explanation on the relationship between average increase in remuneration and Company performance	There has been increase of 6.98% in remuneration of the Company Secretary and 13.64% in remuneration of the Chief Financial Officer. There was no increase in remuneration during the last five years. Hence, increase is negligible. The remuneration being paid to the Managing Director is in line with Schedule – V of the Companies Act, 2013 with approval of the Shareholders.			
6.	Comparison of remuneration of the key managerial personnel against the performance of the Company	The Company has been earning profits consistently till the year 2013-14. During the last five years the Company has incurred losses due to adverse business situation on account of adverse macro business situation in the country. The Company has been operating mainly in capital goods sector and the said sector has been going through recession for the last 5 years. In view of this, it is not possible to compare the remuneration of the key managerial personnel against the performance of the Company.			
7.	Variation in the market capitalization of the Company		53.91 cr.	21.99 cr.	(59.21%)
	Price earnings ratio as at the closing date of the current financial year and previous financial year and		0 (Loss)	0 (Loss)	
	Percentage increase or decrease in the market quotation of shares of the Company in comparison to the rate at which the Company came out with the last public offer	Not applicable as the Company has not made any public offer for the last more than 50 years.			
8.	Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the average percentile increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in managerial remuneration		4.45 (median salary)	4.65 (median salary)	-
			111.00 (₹ lacs)	107.16 (₹ lacs)	(3.45%)
		The managerial remuneration is in accordance with Schedule-V to the Companies Act, 2013 and is approved by the Nomination & Remuneration Committee and the shareholders.			

(₹ Lakh)

Sr. No.			(2017-18)	(2018-19)	Variation (%)
9.	Comparison of the each remuneration of the key managerial personnel against the performance of the Company	The Company has been earning profits consistently till the year 2013-14. During the last five years the Company has incurred losses due to adverse business situation on account of adverse macro business situation in the country. The Company has been operating mainly in capital goods sector and the said sector has been going through recession for the last 6 years. In view of this, it is not possible to compare the remuneration of the key managerial personnel against the performance of the Company.			
10.	The key parameters for any variable component of remuneration availed by the Directors	Mr. Maitreya Doshi, CMD, is given remuneration in accordance with the provisions of Schedule-V to the Companies Act, 2013 and the same is approved by the Nomination & Remuneration Committee and by the shareholders.			
11.	The key parameters for any variable component of remuneration availed by the Directors	No employee has received remuneration in excess of highest paid director.			
12.	Affirmation that remuneration is as per the remuneration policy of the Company	<p>The factory workers' remuneration is determined by the agreement with the Union.</p> <p>The officers' remuneration is determined by policy laid down by the Management.</p> <p>CMD's remuneration is in accordance with the provisions of Schedule-V to the Companies Act, 2013 and the same is approved by the Nomination &amp; Remuneration Committee and the shareholders.</p> <p>The sitting fees of the directors is approved by the Nomination and Remuneration Committee</p>			

On behalf of the Board of Directors


**Maitreya Doshi**

Chairman &amp; Managing Director

Date: 22<sup>nd</sup> June, 2019

Place: Mumbai

## Annexure “III” To Directors’ Report

Extract of Annual Return as on 31st March, 2019 [Pursuant to Section 92(3), 134(3)(a) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014.

Form No. MGT-9

(As on the financial year ended on 31st March, 2019)

### I. Registration and other details:

Sr. No	Particulars	Details
1.	CIN	L34103PN1944PLC020842
2.	Registration Date	27.06.1944
3.	Name of the Company	Premier Ltd.
4.	Category of the Company	Public Company
5.	Sub-Category of the Company	Limited by Shares
6.	Address of the registered Office and contact details	Mumbai - Pune Road Chinchwad, Pune - 411019 Tel No.: 91-20-66310000/91-22-61179000
7.	Whether listed company Yes / No	Yes
8.	Name, Address and Contact details of Registrar and Transfer Agent, if any:	Link Intime India Pvt. Ltd. Wing - C-101, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai - 400083 Tel No. : 91-22-49186000

### II. Principal business activities of the Company

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:

Sr. No.	Name and Description of main products/services	NIC Code of the Product/ service	% to total turnover of the company
1.	Machine tool, parts and accessories	357	100%
2.	Fabricated structural products of iron or steel	340.2	

### III. Particulars of holding, subsidiary and associate companies:

Sr. No	Name and address of the Company	CIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	PAL Credit and Capital Ltd.- Amarson Bhavan, 3rd Flr, Shri Vile Parle KVO, Seva Samaj, 68 Misquitta St, Vile Parle (E), Mumbai - 400 057	L51010MH1962PLC012287	Associate Company	27.31%	2(6) Explanation

**IV. Share holding pattern (equity share capital breakup as percentage of total equity) :**

**i) Category-wise Share Holding:**

Category of share holders	No. of Shares held at the beginning of the year (01.04.2018)				No. of Shares held at the end of the year (31.03.2019)				
	Demat	Physical	Total	% of the Total Shares	Demat	Physical	Total	% of the Total Shares	% Change during the year
<b>A. Promoters</b>									
<b>(1) Indian</b>									
Individuals/ HUF	40,500	-	40,500	0.13	40,500	-	40,500	0.13	-
Central Government/ State Government	-	-	-	-					
Financial Institutions/Banks	-	-	-	-					
Any Other (Bodies Corporate)	1,36,12,702	-	1,36,12,702	44.82	1,36,12,702	-	1,36,12,702	44.82	-
<b>Sub-Total (A)(1)</b>	<b>1,36,53,202</b>	<b>-</b>	<b>1,36,53,202</b>	<b>44.95</b>	<b>1,36,53,202</b>	<b>-</b>	<b>1,36,53,202</b>	<b>44.95</b>	<b>-</b>
<b>(2) Foreign</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>1,36,53,202</b>	<b>-</b>	<b>1,36,53,202</b>	<b>44.95</b>	<b>1,36,53,202</b>	<b>-</b>	<b>1,36,53,202</b>	<b>44.95</b>	<b>-</b>
<b>B. Public shareholding</b>									
<b>1. Institutions</b>									
Mutual Funds	350	6,024	6,374	0.02	350	4350	4700	0.01	(0.01)
Banks/FI	1,636	29,983	31,619	0.10	3036	23,425	26,461	0.09	(0.01)
Venture Capital Funds	-	-	-	-	-	-	-	-	-
Insurance Companies	18,20,815	800	18,21,615	6.00	18,20,815	800	18,21,615	6.00	-
FIs	1,50,000	4,800	1,54,800	0.51	1,50,000	900	1,50,900	0.50	(0.01)
Any Other (specify)	-	5,700	5,700	0.02	500	5700	6200	0.02	-
<b>Sub-Total (B)(1)</b>	<b>19,72,801</b>	<b>47,307</b>	<b>20,20,108</b>	<b>6.65</b>	<b>1,974,701</b>	<b>35,175</b>	<b>2,009,876</b>	<b>6.62</b>	<b>(0.03)</b>
<b>2. Central Government/ State Government(s)/ President of India</b>									
Central Government/ State Government(s)	-	-	-	-	14,086	-	14,086	0.05	0.05
Investor Education and Protection Fund Authority	-	-	-	-	9,44,224	-	9,44,224	3.11	3.11
<b>Sub-Total (B)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,58,310</b>	<b>-</b>	<b>9,58,310</b>	<b>3.16</b>	<b>3.16</b>
<b>3. Non-institutions</b>									
<b>(a) Bodies Corporate</b>	<b>33,91,233</b>	<b>51,154</b>	<b>34,42,387</b>	<b>11.33</b>	<b>34,06,612</b>	<b>42,372</b>	<b>34,48,984</b>	<b>11.35</b>	<b>0.02</b>
(i) Indian									
(ii) Overseas									
<b>(b) Individuals</b>									
i. Individual shareholders holding nominal share capital up to ₹ 2 lakh.	50,11,777	26,10,194	76,21,971	25.09	53,54,918	16,41,945	69,96,863	23.04	(2.05)

Category of share holders	No. of Shares held at the beginning of the year (01.04.2018)				No. of Shares held at the end of the year (31.03.2019)				
	Demat	Physical	Total	% of the Total Shares	Demat	Physical	Total	% of the Total Shares	% Change during the year
ii. Individual shareholders holding nominal share capital in excess of ₹ 2 lakh.	24,87,797	-	24,87,797	8.19	23,93,393	-	23,93,393	7.88	(0.33)
NBFCs registered with RBI	-	-	-	-	14,144	-	14,144	0.047	0.05
iii. Any Other (Specify)		-		-					
1. Clearing Member	2,67,505	-	267,505	0.88	87,718	-	87,718	0.29	(0.59)
2. Trust	3,800	-	3,800	0.01	3,815	-	3,815	0.01	-
3. NRIs (Repat)	59,250	34,331	93,581	0.31	36,287	20,731	57,018	0.19	0.12
4. NRIs (Non Repat)	69,839	-	69,839	0.23	69,454	-	69,454	0.23	-
5. Market Maker	-	-	-	-					-
6. Foreign Nationals	15,060	2,761	17,821	0.06	140	2,745	2,885	0.001	(0.05)
7. HUF	-	-	-	-	6,76,908	-	6,76,908	2.23	2.23
<b>Sub-Total (B)(3)</b>	<b>1,20,00,820</b>	<b>26,98,440</b>	<b>1,46,99,260</b>	<b>48.40</b>	<b>1,20,43,389</b>	<b>17,07,793</b>	<b>1,37,51,182</b>	<b>45.28</b>	<b>3.12</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)</b>	<b>1,39,73,621</b>	<b>27,45,747</b>	<b>1,67,19,368</b>	<b>55.05</b>	<b>1,49,76,400</b>	<b>17,42,968</b>	<b>1,67,19,368</b>	<b>55.05</b>	<b>-</b>
<b>(C) Shares held by Custodians for GDRs and ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
2. Public	-	-	-	-					
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>2,76,26,823</b>	<b>27,45,747</b>	<b>3,03,72,570</b>	<b>100.00</b>	<b>2,86,06,942</b>	<b>17,65,628</b>	<b>3,03,72,570</b>	<b>100.00</b>	<b>-</b>

(ii) Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Doshi Holding Pvt Ltd	1,36,12,702	44.82	82.84	1,36,12,702	44.82	82.84	Nil
2	Maitreya Vinod Doshi	40,100	0.13	0.00	40,100	0.13	0.00	Nil
3	Saryu V.Doshi	200	0.00	0.00	200	0.00	0.00	Nil
4	Rohita Chaganlal	200	0.00	0.00	200	0.00	0.00	Nil
	<b>Total</b>	<b>1,36,53,202</b>	<b>44.95</b>	<b>82.84</b>	<b>1,36,53,202</b>	<b>44.95</b>	<b>82.84</b>	<b>Nil</b>

**(iii) Change in Promoters' Shareholding ( please specify, if there is no change ) :**

Sr. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	At the beginning of the year				
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		There is no change in Promoters' Shareholding		There is no change in Promoters' Shareholding
3	At the End of the year				

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No		Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (31.03.2019)	
		No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
	<b>For each of the Top 10 Shareholders</b>				
1	Patton International Limited				
	At the beginning of the year	2025796	6.6698	2390629	7.7899
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/ bonus/sweat equity etc)	364833	1.1201	9371	0.1119
	At the end of the year (or on the date of separation, if separated during the year	2390629	7.7899	24,00,000	7.9018
2	Life Insurance Corporation of India				
	At the beginning of the year	1820815	5.9949	1820815	5.9949
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/ bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year	1820815	5.9949	1820815	5.9949
3	Harsh Jain				
	At the beginning of the year	287245	0.9457	287245	0.9457
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/ bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year	287245	0.9457	287245	0.9457
4	Virendra Jain				
	At the beginning of the year	274000	0.9021	274000	0.9021
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/ bonus/sweat equity etc)	-	-	-	-
	At the end of the year or on the date of separation, if separated during the year	274000	0.9021	274000	0.9021

Sr. No	For each of the Top 10 Shareholders	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (31.03.2019)	
		No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
5	Gaurav Jain				
	At the beginning of the year	274000	0.9021	274000	0.9021
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year or on the date of separation, if separated during the year	274000	0.9021	274000	0.9021
6	Sanjay Budhia				
	At the beginning of the year	188077	0.6192	188077	0.6192
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/bonus/sweat equity etc)	-	-	11923	0.0393
	At the end of the year (or on the date of separation, if separated during the year)	188077	0.6192	200000	0.6585
7	The Indiaman Fund (Mauritius) Limited				
	At the beginning of the year	150000	0.4939	150000	0.4939
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	150000	0.4939	150000	0.4939
8	Bhavesh Dhiresbhai Shah				
	At the beginning of the year	141246	0.4650	141246	0.4650
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	141246	0.4650	141246	0.4650
9	Bhavesh Shah				
	At the beginning of the year	-	-	130400	0.4293
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	-	-	130400	0.4293
10	Bhavesh Dhiresbhai Shah				
	At the beginning of the year	-	-	95282	0.3137
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	-	-	95282	0.3137



**(v) Shareholding of Directors and Key Managerial Personnel:**

Sr. No	Shareholding patterns of Directors an Key Managerial Personnel	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (31.03.2019)	
		No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	Mr Maitreya V Doshi				
	At the beginning of the year	40100	0.130	40100	0.130
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/ bonus/sweat equity etc)				
	At the end of the year (or on the date of separation, if separated during the year)	40100	0.130	40100	0.130
2	Mrs. Rohita M Doshi				
	At the beginning of the year	200	0.000	200	0.000
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/ bonus/sweat equity etc)				
	At the end of the year (or on the date of separation, if separated during the year)	200	0.000	200	0.000
3	Mr. S. Padmanabhan				
	At the beginning of the year	Nil	0.000	Nil	0.000
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/ bonus/sweat equity etc)				
	At the end of the year (or on the date of separation, if separated during the year)	Nil	0.000	Nil	0.000
4	Mr. Asit Javeri				
	At the beginning of the year	14300	0.050	14300	0.050
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/ bonus/sweat equity etc)				
	At the end of the year (or on the date of separation, if separated during the year)	14300	0.050	14300	0.050
5	Dr Udo Weigel				
	At the beginning of the year	Nil	0.000	Nil	0.000
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/ bonus/sweat equity etc)				
	At the end of the year (or on the date of separation, if separated during the year)	Nil	0.000	Nil	0.000
6	Mr. Dilip J. Thakkar				
	At the beginning of the year	740	0.000	740	0.000
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/ bonus/sweat equity etc)				
	At the end of the year (or on the date of separation, if separated during the year)	740	0.000	740	0.000

Sr. No	Shareholding patterns of Directors an Key Managerial Personnel	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year (31.03.2019)	
		No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
7	Mr. Ramesh Adige				
	At the beginning of the year	Nil	0.000	Nil	0.000
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/ bonus/sweat equity etc)				
	At the end of the year (or on the date of separation, if separated during the year)	Nil	0.000	Nil	0.000
8	Mr. Ramesh M. Tavhare Vice President (Legal & Corporate Affairs) & Company Secretary				
	At the beginning of the year	900	0.000	900	0.000
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/ bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	900	0.000	900	0.000
9	Mr. K.S. Nair (Chief Financial Officer)				
	At the beginning of the year	17711	0.060	17711	0.060
	Date wise increase/decrease in Shareholding during the year specifying the reason for decrease or increase (eg allotment/transfer/ bonus/sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	17711	0.060	17711	0.060

## V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment :

(₹ Lakh)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	32887.31	2338.20	-	35225.51
ii) Interest due but not paid	11631.85	41.83	-	11673.68
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>44519.16</b>	<b>2380.03</b>	<b>-</b>	<b>46899.19</b>
Change in Indebtedness during the financial year				
• Addition	500.00	200.00	-	700.00
• Reduction	659.51	488.20	-	1147.71
<b>Net Change</b>	<b>(159.51)</b>	<b>(288.20)</b>	<b>-</b>	<b>(447.71)</b>
Indebtedness at the end of the financial year				
i) Principal Amount	32727.80	2050.00	-	34777.80
ii) Interest due but not paid	15720.10	300.67	-	16020.77
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>48447.90</b>	<b>2350.67</b>	<b>-</b>	<b>50798.57</b>

## VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ Lakh)

Sr. No	Particulars of Remuneration	Name : Maitreya V.Doshi (Chairman & Managing Director)	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		106.76
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		0.40
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-
2	Stock Option		-
3	Sweat Equity		-
4	Commission - as % of profit - others, specify		-
5	Others, please specify		-
	Total (A)		107.16
	Ceiling as per the Act	Not applicable	

**B. Remuneration to other Directors**

1. Non-executive Independent Directors : Nil
2. Non-executive Director : Nil

**C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD**

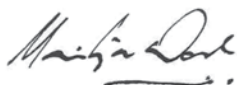
(₹ Lakh)

Sr. No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross Salary / Retainership				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	34.50	27.00	61.50
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify	-	-	-	-
5	Others, please specify	-	24.90	16.81	41.71
	<b>Total</b>	-	<b>59.40</b>	<b>43.81</b>	<b>103.21</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>B. DIRECTORS</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>C. OTHER OFFICERS IN DEFAULT:</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

On behalf of the Board of Directors


**Maitreya Doshi**

Chairman &amp; Managing Director

Date: 22<sup>nd</sup> June, 2019

Place: Mumbai

## Annexure - IV to the Directors' Report

### NOMINATION AND REMUNERATION POLICY

#### INTRODUCTION:

This Policy has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company in compliance of Section 178 of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

#### COMPOSITION OF THE COMMITTEE:

The Committee comprises of following Directors.

Sr. No.	Name of the Director	Position	Category
1	Mr. S. Padmanabhan	Chairperson	Independent Director
2	Dr. Udo Weigel	Member	Independent Director
3	Mr Asit Javeri	Member	Independent Director

The Company Secretary of the Company shall act as Secretary of the Committee.

The Board has power to re-constitute the Committee from time to time in order to make it consistent with the Company's policy and applicable statutory requirement.

#### DEFINITIONS:

“The Company” means PREMIER LIMITED.

“Committee” means Nomination and Remuneration Committee of the Company as constituted or re-constituted by the Board, from time to time.

“Key Managerial Personnel”(KMP) means

- (i) Chief Executive Officer or the Managing Director or the Manager;
- (ii) Company Secretary;
- (iii) Whole-Time Director;
- (iv) Chief Financial Officer;

“Senior Management Personnel” means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

#### APPLICABILITY:

This Policy is applicable to all Directors, Key Managerial Personnel (KMP) and Senior Management Personnel.

Senior Management Personnel shall include the following:

- All officers of the Company at the level of Head and above.

#### ROLE OF COMMITTEE:

The role of the Committee inter alia will be the following:

- (i) To identify persons who are qualified to become Directors, KMP and Senior Management personnel;
- (ii) To recommend to the Board for appointment and removal of Director, KMP and Senior Management personnel;
- (iii) To formulate criteria for determining qualification, positive attributes and independence of a Director;
- (iv) To formulate criteria for evaluation of Independent Director and the Board;
- (v) To recommend to the Board a policy for remuneration of Directors, KMP and Senior Management Personnel;

- (vi) To formulate the policy of remuneration and ensure that-
  - a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
  - b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and;
  - c. Balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- (vii) To devise a policy on Board diversity;
- (viii) To carry out any other responsibilities and duties delegated to it by the Board from time to time.

**APPOINTMENT CRITERIA AND QUALIFICATIONS:**

- (i) The Committee shall identify, ascertain the integrity, qualification, expertise, experience of a person and recommend to the Board for his / her appointment as Director/ KMP/Senior Management Personnel of the Company.  
  
In reviewing Board composition, the Committee will consider the benefits of all aspects of diversity based on the specific needs and business of the Company.
- (ii) The Director, KMP and Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013 and Rules made thereunder, Listing Agreement or any other enactment for the time being in force.
- (iii) The Committee shall identify persons who are qualified to become Director and shall carry out the evaluation of every Directors performance.
- (iv) The Committee shall identify persons who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal.

**TERM /TENURE OF APPOINTMENT:**

The Term / Tenure of the Director shall be governed by the provisions of the Companies Act,2013 and rules made thereunder as amended from time to time.

**REMOVAL:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, Rules made there under or under any other applicable Act, Rules and Regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, KMP and Senior Management Personnel subject to the provisions and compliance of the said Act, Rules and Regulations.

**RETIREMENT:**

The Director, KMP and Senior Management personnel of the Company shall be eligible for retirement as per the applicable provisions of the Companies Act, 2013 and any prevailing policy of the Company in relation to retirement of employees.

**REMUNERATION:**

The Committee will recommend the remuneration to be paid to the Director, KMP and Senior Management Personnel to the Board for their approval.

**Remuneration to Executive Director:**

The Remuneration/ Compensation/ Commission etc. to be paid to Executive Director shall be governed as per provisions of the Companies Act, 2013 and Rules made thereunder or any other enactment for the time being in force.

**Non Executive Independent Directors:**

The Non-Executive Independent Director may receive remuneration / compensation /commission as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and Rules made thereunder or any other enactment for the time being in force.

**KMP / Senior Management Personnel:**

The Remuneration to be paid to KMP/ Senior Management Personnel shall be based on the experience, qualification and expertise of the related personnel and governed by the limits, if any, prescribed under the Companies Act, 2013 and Rules made there under or any other enactment for the time being in force.

## EVALUATION

The Committee shall carry out evaluation of performance of each director of the Company on a yearly basis.

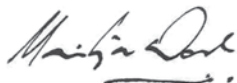
The Committee shall monitor and review board evaluation framework, conduct an assessment of the performance of the Board against criteria as determined and approved by the Committee.

The performance evaluation of Independent Directors shall be done by the entire Board of Directors, on the basis of recommendations of the Committee (excluding the director being evaluated).

## AMENDMENTS:

This policy can be amended by the Board of Directors on its own or based on the recommendation made by the Nomination and Remuneration Committee from time to time.

On behalf of the Board of Directors



**Maitreya Doshi**

Chairman & Managing Director

Date: 22<sup>nd</sup> June, 2019

Place: Mumbai

## Annexure V to the Directors' Report

### Corporate Social Responsibility Report

Annual Report on the CSR activities pursuant to Section 135(1) of the Companies Act, 2013 read with the Companies (Social Responsibility Policy) Rules, 2014

1. The Company is covered under section 135(1) of Companies Act, 2013 and rules made thereunder which requires to constitute a Corporate Social Responsibility Committee (CSR).
2. The Company has constituted CSR Committee comprising of the following Directors:

Name of the Director	Position	Category
Mr. Maitreya V. Doshi	Chairman	Executive Director
Mrs. Rohita M. Doshi	Member	Non-Executive Director
Mrs. Asit Javeri	Member	Independent Director

3. The average net profit before tax calculated under Section 198 for the past 3 years: There is loss as per computation of net profit under Section 198 of the Companies Act, 2013.
4. Since the Company has no profit for the past 3 years, the Company is not required to incur any expenditure under CSR.
5. The main objective of this policy is active involvement in the social and economic development of the society, in which the Company operates, share profits with the society through responsible business practices as well as good governance and bring positive changes to the lives of mankind.
6. The Company has displayed CSR Policy on its website at [www.premier.co.in](http://www.premier.co.in) in compliance with Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014

**Maitreya V. Doshi**  
Chairman

**Rohita M. Doshi**  
Member

**Asit Javeri**  
Member

Date: 22<sup>nd</sup> June, 2019

Place: Mumbai

## **Annexure VI to the Directors' Report**

### **Secretarial Audit Report**

To,  
The Members  
Premier Limited

Our report of even date is to be read along with this letter.

- (1) Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- (2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- (3) We have not verified the correctness and appropriate of financial records and Books of Accounts of the Company.
- (4) Where ever require we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
- (5) The compliance of the provisions of Corporate and Other Applicable Laws, Rules, Regulations, Standard is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
- (6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

### **Form No MR-3**

### **Secretarial Audit Report**

For the Financial Year ended March 31, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
Premier Limited,

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Premier Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has during the financial year ended March 31, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules thereunder and and the Rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and external Commercial Borrowings;



- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not applicable for the Current Year**
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not applicable for the Current Year**
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not applicable for the Current Year**
  - f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not applicable for the Current Year**
  - g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and **Not applicable for the Current Year**
  - h. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015
- VI. Other Laws applicable to the Company;
1. Factories Act, 1948 and Rules made thereunder and Maharashtra Factories Rule, 1963
  2. The Industrial Employment (Standing Orders) Act, 1946 & Rules 1957
  3. The Maternity Benefit Act 1961 & Rules
  4. Employees Compensation Act, 1923 & Rules
  5. The Child Labour (Prohibition & Regulation) Act 1986 & Rules
  6. The Air (Prevention and Control of Pollution) Act 1981
  7. The Water (Prevention and Control of Pollution) Act 1974
  8. The Noise (Regulation and Control) Rules 2000
  9. The Environment (Protection) Act, 1986
  10. The Payment of Wages and Minimum Wages Act, 1948
  11. The Employees State Insurance Act 1948 and The Employees State Insurance Regulation (GEN) Regulations, 1950
  12. Employees Provident Fund & Miscellaneous Provisions Act 1952
  13. Payment of Gratuity Act, 1972
  14. The Contract Labour (Regulation & Abolition) Act 1970 & Maharashtra Contract Labour (Regulation and Abolition Rules), 1971
  15. Payment of Bonus Act, 1965 and Payment of Bonus Rules 1975
  16. The Industrial Disputes Act, 1947
  17. The Maharashtra Labour Welfare Fund Act, 1953
  18. The Apprentices Act, 1961 and Rules
  19. The Gas Cylinder Act & Rules 2004
  20. The Indian Contract Act, 1872
  21. The States Shops and Establishment Act, 1948
  22. The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013
  23. The Income Tax Act, 1961
  24. The Finance Act, 1994
  25. Other Tax Laws

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that;** The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, Board Committee meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes. **All the decisions have been taken unanimously and no dissent recorded.**

**We further report that;** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that;** during the period under review company is in receipt of Notice from Registrar of Companies, Pune, with respect to submission of documents.

**We further report that,** during the period under review Mr. Ramesh Tavhare, Head (Legal) and Company Secretary, ceased from the said positions due to resignation w.e.f. 14th March, 2019. The vacancy caused shall be filled by the Company within six months from the date of cessation, as per Companies Act, 2013.

**We further report that,** Annual General Meeting for FY 2017-18 as per Companies Act, 2013 for was held on 19th September, 2018

**For N L Bhatia & Associates**

Company Secretary

UIN No : P1996MH055800

**N L Bhatia**

Managing Partner

FCS No.1176,

CP No.422

Date: 14<sup>th</sup> June, 2019

Place: Mumbai

# Management Discussion and Analysis Report

## Financial Review

The Company has achieved turnover of Rs.16.50 crores in 2018-19 as against Rs.20.06 crores in the previous year. Net loss for the year was Rs. 195.60 crores, which includes finance cost of Rs. 64.90 crores, depreciation of Rs. 29.24 crores and provision for inventory obsolescence of Rs. 29.93 crores. The low level of operations and non-availability of working capital resulted into losses in operation.

## Segment Review

The Company operates in Engineering segment, consisting of CNC Machines and Engineering.

### CNC Machines

#### Industry Structure and Outlook

There were good opportunities for CNC Machine business during the year. However, the Company could not tap those opportunities due to lack of working capital.

#### Operations:

During the year, CNC machines valued at Rs. 13.45 crores were sold as against Rs.10.30 crores in the previous years. The Company has got ISO 9001-2015 certification, which is updated version for product quality improvement and customer satisfaction.

#### Product Development:

Considering market competition, new products of competitors and requirements of customers, the following developments are in progress:

- Design & Development of High Speed Gear Hobbing M/c – Model PHC 80
- Value Engineering to reduce product cost.

#### Business Strategy:

Adding new customers and providing products at competitive costs to them.

#### Opportunities:

There are opportunities in Export market.

- Automotive and Auto Ancillary sector growth
- Public Sector companies investment in modernization of plant
- Export Potential

#### Threats, Risks and Concerns:

- Competition from new local machine manufacturers.
- Competition from Taiwanese and Chinese machines
- Rupee-Dollar devaluation

## Heavy Engineering

During the year, there was no business from Wind Mill and Metro Sectors. The Company did only third party jobs

#### Operations

During the year the revenue was Rs. 3.05 crore as against previous year Rs.9.76 crore

#### Product Development

No product development activity was undertaken during the year.

#### Business Strategy:

As the Company is facing acute shortage of working capital, it is difficult to plan any strategy unless capital is made available.

#### Quality:

The engineering division has obtained ISO 9001 certification in the year 2008. Also obtained EN 15085 & ISO 3834 Certification in 2015 for welding process of railway products to capture national & international market.

## **Opportunities**

There are vast opportunities in Sectors like defence, railway, infrastructure and wind energy. However, the Company would be able to tap these opportunities only upon availability of capital.

## **Threats, Risk and Concerns**

- Risk of revenue loss and profitability due to non-utilizations of equipment for the short term, if customer cancels an order.
- High dependency ratio on the wind energy sector business, Metro Rail sector.
- Recession in economy affecting infrastructural growth.

## **Human Resources and Industrial Relations**

The overall manpower strength is 351. The Company has 59 engineers and technicians constituting 40% of the total officer strength. The workers Union has filed certain cases in the Industrial Court at Pune. The Company is taking appropriate steps to deal with those cases.

Various in-house, external training and skill building programmes were conducted during the year for officers and workmen. Training programmes were conducted in the areas of safety awareness, health, certification, hard skills, technical and on-the-job training which included training programmes like Awareness of 1S,2S for TQM, Awareness of ISO 9001:2015 and Industrial Health & Fire Fighting.

An annual health check-up camp was conducted for the Company's employees wherein various tests viz. routine blood & urine tests, audiometry, eye check-up, ECG, BMI, pulmonary function test, etc. depending on the employees' age groups.

The Company has identified a suitable site in the Chakan Industrial Area for shifting the existing factory at Chinchwad. Currently plans are underway to relocate the plant and machinery to the new site.

## **Information and Technology**

Due to introduction of GST, the Company now uses Tally ERP system for all its activities. The Company regularly upgrades the Tally infrastructure for optimum utilization while all maintenance activities are outsourced to local IT service providers.

## **Internal Controls**

The Company has set up adequate internal controls to ensure operational efficiency, safety of assets and efficient financial management. It has appointed an independent firm of Chartered Accountants to conduct regular internal audits. The Audit Committee of the Board reviews the internal controls and audit reports regularly. There is a Managing Committee consisting of senior functional heads and the Managing Director that meets periodically to review overall operations of the Company.

## **Cautionary Statement**

The Management Discussion and Analysis Report contain forward looking statements describing the Company's projections and estimates. These are based on certain assumptions and expectations of future events. The Company cannot guarantee the realization of projections as the actual results may differ due to factors like the price of raw materials, demand-supply conditions, changes in government regulations, tax structures, etc. which are beyond the control of Management. The Company assumes no responsibility in respect of forward looking statements which may undergo change on the basis of any subsequent developments, information or events.

# Report on Corporate Governance

**1. Company's Philosophy on Code of Governance :** The Board of Directors and Management lay great emphasis on adopting and practicing principles of good Corporate Governance with a view to achieve business excellence by enhancing long term shareholder value and the interest of all its stakeholders through sound business decisions, prudent financial management and a high standard of business ethics.

**2. Board of Directors :** The present strength of the Board is seven directors, comprising of Five independent directors, as stated below:

Name	Category
<b>Mr. Maitreya V. Doshi</b> , Chairman & Managing Director (DIN-00060755)	Executive [Promoter]
<b>Mrs. Rohita M. Doshi</b> (DIN - 00246388)	Non-Executive Director [Promoter]
<b>Mr. S. Padmanabhan</b> (DIN - 00001207)*	Non-Executive Independent Director
<b>Mr. Asit Javeri</b> (DIN - 00268114)	Non-Executive Independent Director
<b>Dr. Udo Weigel</b> (DIN - 02142276)*	Non-Executive Independent Director
<b>Mr. Dilip J. Thakkar</b> (DIN - 00007339)*	Non-Executive Independent Director
<b>Mr. Ramesh Adige</b> (DIN - 00101276)	Non-Executive Independent Director

\* Ceased to be directors w.e.f. 01.04.2019 in terms of Regulation 17(1A) of SEBI (LODR) Regulations, 2015 after crossing age of 75 years.

### 3. Board Meetings and Attendance

Four (4) Board meetings were held during the financial year ended on 31st March, 2019.

The information as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is made available to the Board. The agenda and the papers for consideration at the Board meeting are circulated prior to the meeting. Adequate information is circulated as part of the Board papers and is also made available at the Board meetings to enable the Board to take informed decisions.

The dates on which meetings were held are as follows:

Sr. No.	Date of Meeting	Board Strength	No. of Directors Present
1	28.05.2018	7	5
2	10.08.2018	7	7
3	14.11.2018	7	6
4	11.02.2019	7	7

Attendance of each Director at the Board meetings and last Annual General Meeting (AGM) and the number of Companies and committees where he is Director/Member is given below :

Name of Director	Category of Director-ship	Number of Board meetings attended	Attendance at the last AGM held on 14.09.2017	Number of Directorships in other public limited companies	Number of committee positions held in other companies	
					Chairman	Members
<b>Mr. Maitreya V. Doshi</b> Chairman & Managing	Executive (Promoter)	4	Yes	1	-	6
<b>Mrs. Rohita M. Doshi</b> Computer Engineer	Non-Executive (Promoter)	4	No	-	-	4
<b>Mr. S. Padmanabhan</b> I.A.S (Retd.)	Non- Executive Independent Director	4	Yes	5	4	5
<b>Mr. Asit Javeri</b> Industrialist	Non- Executive Independent Director	4	No	4	3	2
<b>Dr. Udo Weigel</b> Machine tool Technologies	Non- Executive Independent Director	4	No	-	-	-
<b>Mr. Dilip J. Thakkar</b> Chartered Accountant	Non- Executive Independent Director	3	No	8	3	7
<b>Mr. Ramesh Adige</b> Industry Expert - Automotive, Pharma, Banking, Healthcare & Public Policy	Non- Executive Independent Director	2	No	2	-	2

#### 4. Audit Committee :

The Audit Committee consists of 3 Non-Executive Independent Directors namely Mr. S. Padmanabhan, Mr. Asit Javeri and Mr. Dilip J. Thakkar, Mr. S. Padmanabhan is the Chairman of the Audit Committee. The Audit Committee has been mandated with the terms of reference in accordance with the requirement of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Four (4) meetings were held during the year 28th May, 2018, 10th August, 2018, 14th November, 2018 and 11th February, 2019.

Attendance of Directors at the Audit Committee Meeting held during the financial year:		
Name of the Director	No. of meetings held	No. of meetings attended
Mr. S. Padmanabhan	4	4
Mr. Asit Javeri	4	4
Mr. Dilip J. Thakkar	4	4

#### 5. Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of 3 Non-Executive Independent directors, namely Mr. S. Padmanabhan, Mr. Asit Javeri and Mr. Udo Weigel. Mr. S. Padmanabhan is the Chairman of the Committee. The Committee has been mandated with the terms of reference in accordance with the requirement of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

One (1) meeting was held during the year on 11th February, 2019

#### 6. Remuneration Policy

The Company paid remuneration by way of salary, allowances and perquisites to the Chairman & Managing Director as recommended by Nomination and Remuneration Committee and approved by the Board of Directors and shareholders of the Company during the period 1st April, 2018 to 31st March, 2019 are as follows:

(₹ Lakhs)				
Name of the Director	Salaries, Perquisites contribution to Provident Fund and Superannuation	Commission	Sitting Fees	Total
Mr. Maitreya V. Doshi	107.16	-	-	-
Mrs. Rohita M. Doshi	-	-	-	-
Mr. S. Padmanabhan	-	-	-	-
Mr. Asit Javeri	-	-	-	-
Mr. Udo Weigel	-	-	-	-
Mr. Dilip J. Thakkar	-	-	-	-
Mr. Ramesh Adige	-	-	-	-
Mr. Shailesh S. Vaidya	-	-	-	-

The Company does not have any Stock Option Scheme.

#### 7. Shareholding of Non-Executive Directors as on 31st March 2019

Sr.	Name of the Director	No. of shares held
1	Mr. Dilip J. Thakkar	740
2	Mr. S. Padmanabhan	NIL
3	Mr. Asit Javeri	14,300
4	Mrs. Rohita M. Doshi	200
5	Dr. Udo Weigel	NIL
6	Mr. Ramesh Adige	NIL

#### 8. Stakeholders Relationship Committee

This Committee consists of 3 Directors with 2 independent directors namely Mr. Asit Javeri and Mr. Ramesh Adige along with Mr. Maitreya V. Doshi, Chairman and Managing Director of the Company. Mr. Asit Javeri is the Chairman of the Committee. The Committee has been mandated with the terms of reference in accordance with the requirement of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Attendance of Directors at Stakeholder Relationship Committee meeting held during the financial year:		
Name of the Director	No. of meetings held	No. of meetings attended
Mr. Asit Javeri	4	4
Mr. Ramesh Adige	4	2
Mr. Maitreya Doshi	4	4

Four (4) meetings of the Committee were held during the year on 28th May 2018, 10th August, 2018, 14th November, 2018 and 11th February, 2019.

Statement of Various complaints received and cleared by the Company during the year ended on 31st March, 2019:

Sr. No	Subject	Received	Cleared	Pending
1	Non Receipt of Share Certificate	2	2	0
2	Non Receipt of Dividend	2	2	0
3	Non Receipt of Annual Report	0	0	0
4	Non Receipt of Exchange Certificate	0	0	0
5	Scores / Stock Exchange	2	2	0
6	Other	0	0	0
	<b>Total</b>	<b>6</b>	<b>6</b>	<b>0</b>

## 9. General Body Meetings

(a) Details of location and time of holding of last three AGMs :

AGM for the financial year ended	Venue	Date	Time	No. of Special Resolutions passed
70th AGM 31st March, 2016	Mumbai-Pune Road, Chinchwad, Pune - 411 019	2nd September, 2016	10.00 a.m.	-
71st AGM 31st March, 2017	Mumbai-Pune Road, Chinchwad, Pune - 411 019	14 <sup>th</sup> September, 2017	10.00 a.m.	1
72nd AGM 31st March, 2018	Hotel Kalasagar, P-4, Kasarwadi, MIDC, Mumbai-Pune Road, Pimpri, Pune - 411 034	19th September, 2018	10.00 a.m.	1

E-voting and physical ballot was conducted at the 72<sup>nd</sup> AGM.

(b) No Special Resolution was carried out through postal ballot last year

## 10. Skill Matrix of the Board of Directors

Matrix Skills	Name of Directors						
	Maitreya Doshi	Rohita Doshi	S. Padmanabhan	Dilip Thakkar	Asit Javeri	Ramesh Adige	Udo Weigel
Business Strategy	✓	-	✓	✓	✓	✓	✓
Industry Experience	✓	✓	✓	-	✓	✓	✓
General Management	✓	✓	✓	✓	✓	✓	✓
Accounting / Auditing	-	-	✓	✓	✓	✓	-
Finance	-	-	✓	✓	✓	✓	-
Legal / Secretarial / Compliance	-	-	-	-	-	-	-
Human Resource Management	✓	-	-	-	-	-	-
Risk Management	✓	✓	✓	✓	✓	✓	✓
Information Technology	-	✓	-	-	-	-	-

## 11. Disclosures

(a) **Materially Significant related party transactions:** The particulars of transactions between the Company and its related parties are set out in Notes to Accounts in the Annual Report. These transactions are not likely to have any conflict with Company's interest. The policy on dealing with related party transactions is disclosed on the company's website: [www.premier.co.in](http://www.premier.co.in)

(b) **Management Disclosures:** The Senior Management Personnel have been making disclosures to the Board relating to all material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the Company at large. Based on the disclosures received, none of the Senior Management Personnel has entered into any such transactions during the year.

**(c) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last 3 years:** The Company has complied with the requirements of the Listing Agreement with the Stock Exchanges as well regulations and guidelines prescribed by SEBI.

There were no penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to the capital markets during the last three years.

**(d) Risk Management Framework:** The Board of Directors has adopted the Risk Assessment Procedure. The procedure provides an approach by the top Management to identify potential events that may affect the Company, to manage the risk within its risk appetite and to provide reasonable assurance regarding the achievement of objectives of the Company. The Senior Management prioritizes the risk and finalizes the action plan for mitigation of the key risks.

**(e) Vigil Mechanism:** The Company has established a vigil mechanism for directors and employees to report their genuine concern and grievances. No personnel has been denied access to the Audit Committee.

**(f)** Board of Directors confirms that the independent directors fulfill the condition of SEBI (LODR) Regulations, 2015.

**(g)** During the financial year 2018-19, all mandatory recommendations of the Committee and the Board have been accepted by the Board of Directors.

**(h)** There are no complaints received or pending relating sexual harassment of women during the year.

**(i)** None of the directors are disqualified or debarred.

**(j)** No funds have been raised through preferential allotment or private placement during the year.

**(k)** During the financial year 2018-19, the Company has paid Rs. 15.08 Lakh. to Statutory Auditor including to all network entities of the Auditor

## 12. Means of communication

The quarterly, half yearly and annual results are published in English in "Free Press Journal" and in Marathi in "Nav Shakti".

The financial results are available on the Company's website at [www.premier.co.in](http://www.premier.co.in)

No presentations were made to institutional investors or to the analysts during the year.

## 13. General shareholder information

The financial year of the Company is for a period of 12 months from 1<sup>st</sup> April to 31<sup>st</sup> March every year.

AGM: Date, time and venue	73rd Annual General Meeting on Monday, the 9th September, 2019 at 10.30 a.m. at Hotel Kalasagar, P - 4, Kasarwadi, MIDC, Mumbai-Pune Road, Pimpri, Pune – 411 034
Financial Year	01.04.2018 to 31.03.2019
Date of Book Closure	2nd September, 2019 to 9th September, 2019
Financial Calendar (Tentative)	
Results for quarter ending June 30 '19	Last week of July, 2019
Results for quarter ending September 30 '19	Last week of October, 2019
Results for quarter ending December 31 '19	Last week of January, 2020
Results for quarter ending March 31 '20	Last week of May, 2020
Listing on Stock Exchange	The Company's shares are listed on Bombay Stock Exchange and National Stock Exchange of India Ltd. The listing fees have been paid up to date to these exchanges
Stock / Script Code	500540 on BSE Ltd., PREMIER on NSE
ISIN Number	INE342A01018

## 14. Investor Services

The Company has appointed M/s Link Intime India Pvt. Ltd., (Formerly known as Intime Spectrum Registry Ltd.) whose address is given below, as its Registrar and Transfer Agents. The Registrar handles all matters relating to the shares of the Company including transfer, transmission of shares, dematerialization of share certificates, subdivision/consolidation of share certificates and investor grievances.

**Link Intime India Pvt. Ltd. :**

**Unit: Premier Ltd.**

C-101, 247 Park, LBS Marg, Vikholi (West), Mumbai – 400 083

Tel. No. (022) 4918 6000, Fax No. (022) 4918 6060. Email ID: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)



## 15. Share Transfer System

All the transfers received are processed by Registrar and Transfer Agents. Share transfers are registered and returned within maximum of 15 days from the date of lodgment if documents are complete in all respects. In case the shares are transferred through Demat mode, the procedure is adopted as stated in Depositories Act, 1996.

## 16. Dematerialization of shares

The Company's shares are tradable compulsorily in electronic form. The Company has established through its Registrar and Share Transfer Agents, connectivity with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). As on 31st March, 2019, 94.26% of the equity shares have been dematerialized.

### Position of dematerialized shares for the year 2018-19

Particulars	No. of Shares	Percentage
Shares in Dematerialized Form	2,86,29,602	94.26%
Shares in Physical Form	17,42,968	5.74%
<b>Total Shares</b>	<b>3,03,72,570</b>	<b>100%</b>

## 17. Outstanding GDRs/ADRs/ Warrants or any convertible instruments

There are no outstanding GDRs/ADRs. During the year, no conversion took place and hence there was no effect on Equity Share Capital of the Company.

## 18. High/low of market price of the Compan's shares traded on the Stock Exchange upto 31st March 2019

Period	Premier's Share Price (₹)		BSE SENSEX	
	High	Low	High	Low
April 2018	26.60	19.05	35213.03	32972.56
May 2018	22.75	14.60	35993.53	34302.89
June 2018	17.90	13.20	35877.41	34784.68
July 2018	20.60	13.10	37644.59	35106.57
August 2018	21.45	14.60	38989.65	37128.99
September 2018	17.80	11.15	38934.35	35985.63
October 2018	12.40	7.45	36616.64	33291.58
November 2018	9.35	7.45	36389.22	34303.38
December 2018	8.75	6.61	36554.99	34426.29
January 2019	8.67	6.96	36701.03	35375.51
February 2019	7.25	5.50	37172.18	35287.16
March 2019	8.05	6.00	38748.54	35926.94

## 19. Distribution of shareholding as on 31st March, 2019

Shareholding of nominal Value (₹)	Folios		Amounts	
	Number	% to total	₹	% to total
(1)	(2)	(3)	(4)	(5)
1 – 5000	23381	90.14	27563740	9.07
5001 - 10000	1315	5.07	10409570	3.43
10001- 20000	563	2.17	8528230	2.81
20001- 30000	214	0.83	5520270	1.82
30001- 40000	127	0.49	4593430	1.51
40001- 50000	71	0.27	3329350	1.10
50001- 100000	141	0.54	9724410	3.20
100001 and above	127	0.49	234056700	77.06
<b>Total</b>	<b>25939</b>	<b>100.00</b>	<b>30,37,25,700</b>	<b>100.00</b>

## 20. Shareholding pattern as on 31st March, 2019

Category	No. of shares	%
Promoters	1,36,53,202	44.95
Mutual Funds and UTI	10,400	0.03
Banks, Financial Institutions & Insurance Companies	18,62,720	6.13
FII's	1,50,900	0.50
Bodies Corporate	34,48,984	11.36
IEPF	9,44,224	3.11
Indian Public	1,11,17,007	33.49
NRIs/Foreign Nationals	1,29,357	0.43
<b>Total</b>	<b>3,03,72,570</b>	<b>100.00</b>

## 21. Code of Conduct

The Company has formulated a Code of Conduct for all Directors and Senior Management of the Company and the same has been adopted by the Board. The Code is also available on the Company's official website. All the Directors and Senior Management Personnel have affirmed compliance with the said Code of Conduct.

## 22. Plant Location Address for Correspondence :

**Premier Ltd.**  
Mumbai - Pune Road  
Chinchwad  
Pune - 411 019  
Maharashtra  
Tel: 020-6631 0000  
Fax: 020-6631 0371

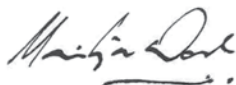
**Premier Ltd.**  
58, Nariman Bhavan,  
5<sup>th</sup> Floor, Nariman Point  
Mumbai - 400 021  
Tel: 022-6117 9000  
Fax: 022-6117 9003  
Email: investors@premier.co.in

**Link Intime India Pvt Ltd.**  
C-101, 247 Park  
L. B. S. Marg, Vikhroli (West)  
Mumbai - 400 083  
Tel: 022-4918 6000  
Fax: 022-4918 6060  
Email: rnt.helpdesk@linkintime.co.in

## 23. CEO / CFO Certification

The Company has been placing a certificate to the Board from the Chairman & Managing Director and the Chief Financial Officer in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The aforesaid certificate duly signed by the Chairman & Managing Director and the Chief Financial Officer in respect of the financial year ended 31st March, 2019 has been placed before the Board in the meeting held on 22nd June, 2019.

On behalf of the Board of Directors



**Maitreya Doshi**

Chairman & Managing Director

Date: 22<sup>nd</sup> June, 2019

Place: Mumbai

# Auditors' Certificate on Compliance with the Conditions of Corporate Governance under Sebi Listing Regulations

**TO  
THE MEMBERS OF  
M/S. PREMIER LIMITED**

We have examined the compliance of conditions of Corporate Governance by Premier Limited ("the Company"), for the year ended 31st March, 2019, as stipulated in the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Jayesh Dadia & Associates LLP**

Chartered Accountants

Firm's Registration No. 121142W / W100122

**Rahil Dadia**

Partner

Membership No. 143181

Place of Signature: Mumbai

Date: 22<sup>nd</sup> June, 2019

# INDEPENDENT AUDITORS' REPORT

**To the Members of Premier Limited**

## **Report on the Standalone Financial Statements**

### **Opinion**

We have audited the standalone financial statements of M/s. Premier Limited ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss, Statement of changes in Equity and Statement of Cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, its loss, changes in equity and its cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<b>The Key Audit Matter</b>	<b>How the matter was addressed in our audit</b>
<p>An entity shall classify a non-current asset as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to the terms that are usual &amp; customary for sales of such asset and its sale is highly probable as specified in Note No. 2(ix) to the financial statements.</p> <p>As disclosed in Note no. 3(a) to the financial statements, the Company has reclassified land at Chinchwad, Pune, Maharashtra as "Non-Current Assets Held for Sale" as the Board intends to dispose off the said asset in order to reduce the overall debt and infuse funds for operations.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>- Understanding the process followed by the management for the purpose of identifying the assets for reclassification as "Assets held for sale"</li> <li>- Reviewing the Memorandum of Understanding &amp; other correspondences with the buyer &amp; the lenders, including obtaining in principle NOCs from them to initiate the process for sale of the land.</li> <li>- Considering the adequacy of disclosures in the financial statements relating to the reclassification.</li> </ul>
<b>The Key Audit Matter</b>	<b>How the matter was addressed in our audit</b>
<p>An asset is impaired when the carrying amount of the asset exceeds its recoverable amount.</p> <p>An entity shall assess at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the entity shall estimate the recoverable amount of the asset.</p> <p>As disclosed in the footnote to note no. 3 to the financial statements, the company has made provision for impairment on the value of certain plant &amp; machinery based on the management estimate of the net realizable value of these assets</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>- Understanding the process followed by the management for the purpose of identifying the assets whose carrying value exceeded their recoverable amount.</li> <li>- Understanding the manner in which the recoverable amount of the assets was determined, including reviewing quotations received against the tenders floated by the company.</li> <li>- Considering the adequacy of disclosures in the financial statements relating to the reclassification</li> </ul>

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This

responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable
2. As required by Section 143(3) of the Act, we report, that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company in so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
  - d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued thereunder.
  - e. On the basis of the written representations received from the directors as on 31st March, 2019 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act;
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements. Refer note 27 to the standalone Ind AS financial statements.
    - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
3. With respect to the matter to be included in the Auditor's Report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act read with Schedule V of the Companies Act, 2013. The remuneration paid to any director is not in excess of the limit laid down under said section of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

#### **For Jayesh Dadia & Associates LLP**

Chartered Accountants  
Firm's Registration No. 121142W / W100122

#### **Rahil Dadia**

Partner  
Membership No. 143181

Place of Signature: Mumbai

Date: 22<sup>nd</sup> June, 2019

## Annexure A to the Auditors' Report

The Annexure referred to in the Independent Auditors' Report to the members of the Company on the Standalone IND-AS financial statements for the year ended 31st March, 2019, we report that:

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) A substantial portion of these fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties of the Company were mortgaged with Banks. However, the banks have assigned their loans in favour of Edelweiss Asset Reconstruction Company Limited (EARC). The confirmation, for holding of the Title deeds, from EARC was not made available to us.
- (ii) As explained to us, the inventories have been physically verified during the year by the management at reasonable intervals. The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) As per the information & explanations given to us and based on our examination of the books of accounts, during the year under audit the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore comments under clause (a), (b) & (c) are not given.
- (iv) In our opinion & according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans given, investments made, guarantees and security given by the Company.
- (v) In our opinion & according to the information & explanation given to us, the Company has not accepted any deposits during the year from the public in terms of Section 73 of the Companies Act, 2013.
- There are certain advances from customers of ` 2,766.80 lacs (USD 4 million) that could not be appropriated with in a period of 365 days of its acceptance against supply of goods i.e. heavy machines which has a long lead time for manufacture. The customer's order is now cancelled and the said advances are to be repaid.
- (vi) The Central Government has prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013. Such accounts and records have been made and maintained by the Company.
- (vii) (a) According to the information & explanations provided to us & on the basis of our examination of the books of accounts & other relevant records, the Company is generally not regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. The extent of arrears of statutory dues which have remained outstanding as at the last day of the financial year under audit for a period of more than six months is given in the table below:

Name of the Statute	Nature of Dues	Amount (₹. In Lacs)	Period to which amount relates	Due Date	Date of Payment
Income Tax Act, 1961	Income Tax Deducted at Source	11.13	Oct 2018 to Nov 2018	7th day of subsequent month	Not paid till date
Profession Tax Act, 1975	Profession Tax	13.76	Jul 2017 to Nov 2018	Last day of subsequent month	Not paid till date
Bombay Provincial Mun. Corporation (Local Body Tax) Rules 2010	Local Body Tax	408.22	Jun 2015 to Jun 2017	20th day of subsequent month	Not paid till date

- (b) According to the information and explanations given to us, details of disputed statutory dues which have not been deposited or partially deposited are as follows:

Name of the Statute	Nature of Dues	Amount disputed (₹. in lacs)	Period to which the amount relates (F.Y.)	Forum where dispute is pending
The Central Excise Act, 1944	Penalty	10.00	1997 to 2000	CESTAT
Foreign Exchange Management Act, 1999	Penalty	65.49	1996-97	Appellate Tribunal, FEMA
Finance Act, 1994	Service Tax	73.92	2010-11 to 2015-16	CESTAT, Mumbai
MVAT / CST	Sales Tax	4186.00	2008-09 to 2012-13	Sales Tax tribunal

(viii) In our opinion and according to the information & explanation given to us and based on our examination of the records of the Company, the company has defaulted in repayment of loans or borrowings to banks & financial institutions. Details of defaults are as follows:

Name of the Lender	Amount of default as at the Balance sheet date	Period of default	Remarks
State Bank of India - Term Loan – I	Principal amount ₹ 7,225.00 Lacs and Interest ₹ 6,851.56 Lacs	0 to 36 months	State Bank of India has assigned all its Financial assistance to Edelweiss Asset Reconstruction Company Ltd. for ₹ 26,902 Lacs on 03/03/2017
State Bank of India - Term Loan – II	Principal amount ₹ 643.00 Lacs and Interest amount of ₹ 472.38 Lacs	0 to 36 months	
State Bank of India - Cash Credit	Cash credit is overdrawn by ₹ 575.94 Lacs and Interest amount of ₹ 3,795.11 Lacs	0 to 33 months	
The Jammu & Kashmir Bank Ltd. - Corporate Loan	Principal amount ₹ 5543.69 Lacs and Interest ₹ 3,501.96 Lacs	0 to 47 months	Jammu & Kashmir Bank Ltd. has assigned its Financial assistance to Edelweiss Asset Reconstruction Company Ltd. for ₹ 7142.97 Lacs on 30/06/2017
State Bank of Hyderabad - Corporate Loan	Principal amount ₹ 595.25 Lacs and Interest amount of ₹ 380.58 Lacs	0 to 29 months	State Bank of Hyderabad has assigned all its Financial assistance to Edelweiss Asset Reconstruction Company Ltd. for ₹ 2894 Lacs on 27/03/2017
State Bank of Hyderabad - Cash Credit	Cash credit is overdrawn by ₹ 60.35 Lacs and Interest amount of ₹ 718.49 Lacs	0 to 29 months	
Corporation Bank - Working Capital Term Loan	Principal amount ₹ 1875.00 Lacs	0 to 38 months	During the year, the Company has entered into an OTS with Corporation bank. Refer Note no. 14(b) to the financial statements
Corporation Bank - Cash Credit	Principal amount of ₹ 499.31 Lacs	0 to 12 months	
Corporation Bank - PRBTL (LC default)	Principal amount ₹ 118.03 Lacs	0 to 34 months	
First Leasing Company of India Limited	Principal amount ₹ 331.46 Lacs and Interest ₹ 52.76 Lacs	0 to 48 months	

- (ix) The Company has not raised any money by way of initial public offer or further public offer {including debt instruments} and term loans during the year.
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information & explanations given to us, the Company is not a Nidhi Company and therefore the compliance requirements relevant to a Nidhi Company are not applicable.
- (xiii) In our opinion and according to the information & explanations given to us and based on our examination of the records of the Company, all transactions with related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) In our opinion and according to the information & explanation given to us and based on our examination of the records of the Company, no preferential allotment or private placement of shares or fully or partly convertible debentures has been made by the Company during the year under review.
- (xv) According to the information & explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him/her as specified under the provisions of section 192 of the Companies Act, 2013,.
- (xvi) The Company is not required to be registered under section 45-1(A) of the Reserve Bank of India Act, 1934 and therefore the provisions of paragraph 3(xvi) of the Order is not applicable.

**For Jayesh Dadia & Associates LLP**

Chartered Accountants

Firm's Registration No. 121142W / W100122

**Rahil Dadia**

Partner

Membership No. 143181

Place of Signature: Mumbai

Date: 22<sup>nd</sup> June, 2019

## **Annexure - B to the Independent Auditor's Report**

### **Report on the Internal Financial Controls under Clause (j) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") referred to in paragraph 2 (f) on Report on Other Legal and Regulatory Requirements of our report.**

We have audited the internal financial controls over financial reporting of Premier Limited ("the Company") as of 31st March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion the Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### **For Jayesh Dadia & Associates LLP**

Chartered Accountants

Firm's Registration No. 121142W / W100122

**Rahil Dadia**

Partner

Membership No. 143181

Place of Signature: Mumbai

Date: 22<sup>nd</sup> June, 2019



# Standalone Financial Statements

## Standalone Balance Sheet

(₹ Lakh)

	Note No.	As at 31.03.2019	As at 31.03.2018
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	3	16653.84	34965.66
Capital work-in-progress		247.38	114.06
Investment Property	3	8597.22	8597.22
Intangible Assets	4	17.37	57.33
<b>Financial assets</b>			
Investments	5	0.25	0.25
Loans and advances	6	4526.56	4302.92
Deferred tax assets (net)	7	4585.15	4585.15
<b>Current Assets</b>			
Inventories	9	4896.04	8440.35
<b>Financial assets</b>			
Trade receivables	10	3456.30	6559.94
Cash and cash equivalents	11	441.33	581.69
Loans and advances	6	2143.71	1814.50
Other current assets	8	18779.52	6425.49
<b>Total Assets</b>		<b>64344.67</b>	<b>76444.56</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share Capital	12	3039.95	3039.95
Other equity	13	(4025.31)	15392.53
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	14	4690.03	9154.71
Long term provisions	15	490.40	526.03
<b>Current Liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	16	10302.65	10125.36
Trade payables			
Dues of micro and small enterprises		-	-
Dues of creditors other than micro and small enterprises	17	2135.94	2137.03
Other current liabilities	17	47639.40	35705.01
Provisions	15	71.61	363.94
<b>Total Equity and Liabilities</b>		<b>64344.67</b>	<b>76444.56</b>

The accompanying notes form an integral part of the financial statements (Note no.1 to 39)

As per our report of even date attached

For and on behalf of the Board of Directors

**Jayesh Dadia & Associates LLP**  
Chartered Accountants  
ICAI Firm Registration  
No.121142W/W100122

**Maitreya V. Doshi**  
Chairman & Managing  
Director  
DIN No. 00060755

**Umesh Mistry**  
Company Secretary

**K. S. Nair**  
Chief Financial Officer

**Rahil Dadia**  
Partner (M No 143181)

**Asit Javeri**  
Director  
DIN No. 00268114

Place : Mumbai  
Date : 22<sup>nd</sup> June, 2019

**Standalone Statement of Profit and Loss**

(₹ Lakh)

	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018
<b>INCOME:</b>			
Revenue from Operations	18	1650.20	2006.54
Other Income	19	1574.71	1213.63
<b>Total Income</b>		<b>3224.91</b>	<b>3220.17</b>
<b>EXPENSES:</b>			
Cost of Materials consumed	20	807.89	2655.99
Changes in inventories of Finished Goods and Work in Progress	21	266.88	(1865.65)
Inventory Obsolescence	21	2993.25	0.00
Employee Benefits Expense	22	2362.28	2775.52
Finance Costs	23	6489.79	6596.90
Depreciation and amortization expense	24	2924.27	2818.94
Other Expenses	25	4010.11	3151.23
<b>Total Expenses</b>		<b>19854.47</b>	<b>16132.93</b>
<b>Profit/(Loss) before exceptional items and tax</b>		<b>(16629.56)</b>	<b>(12912.76)</b>
Exceptional Items	26	(2930.42)	466.91
<b>Profit/(Loss) before tax</b>		<b>(19559.98)</b>	<b>(12445.85)</b>
Tax Expense:			
Current Tax		0.00	(46.61)
Deferred Tax		0.00	-
(Excess)/Short Provision made earlier years written (back)/off		99.92	-
<b>Profit/ (loss) for the period</b>		<b>(19659.90)</b>	<b>(12399.24)</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss		242.06	150.84
Income tax relating to items that will not be reclassified to profit or loss			(46.61)
<b>Total comprehensive income for the period</b>		<b>(19417.84)</b>	<b>(12295.01)</b>
<b>Earnings per equity share (in Rs)</b>			
a) Basic	33	<b>(64.73)</b>	<b>(40.82)</b>
b) Diluted	33	<b>(64.73)</b>	<b>(40.82)</b>

The accompanying notes forms an integral part of the financial statements (Note no. 1 to 39)

As per our report of even date attached

For and on behalf of the Board of Directors

**Jayesh Dadia & Associates LLP**  
Chartered Accountants  
ICAI Firm Registration  
No.121142W/W100122

**Maitreya V. Doshi**  
Chairman & Managing  
Director  
DIN No. 00060755

**Umesh Mistry**  
Company Secretary

**K. S. Nair**  
Chief Financial Officer

**Rahil Dadia**  
Partner (M No 143181)

**Asit Javeri**  
Director  
DIN No. 00268114

Place : Mumbai  
Date : 22<sup>nd</sup> June, 2019

## Standalone Cash Flow Statement

(₹ Lakh)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before tax	(19559.98)	(12445.85)
Adjustments for :		
Remeasurment of Net defined benefit plan	242.06	150.84
Provision for doubtful advances	0.00	1685.95
Interest expense written back	(1381.49)	0.00
Interest Income	(21.55)	(62.53)
Impairment of fixed assets	2930.42	0.00
Depreciation	2924.27	2818.94
Interest and Financial Charges	6184.42	6329.89
Remeasurment of financial liability	305.37	267.01
<b>Operating profit before Working capital changes (a)</b>	<b>(8376.48)</b>	<b>(1255.75)</b>
Adjustments for:		
Trade & Other Receivables	2582.92	12398.52
Inventories	3544.31	(860.09)
Trade Payable & Provisions	(564.01)	(3938.28)
<b>Change in working capital (b)</b>	<b>5563.22</b>	<b>7600.15</b>
<b>Cash generated from Operations (a+b)</b>	<b>(2813.26)</b>	<b>6344.40</b>
Direct Taxes Net Received / (Paid)	(48.76)	(828.78)
<b>Net Cash Flow from Operating activities (A)</b>	<b>(2764.50)</b>	<b>5515.62</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from Land	3531.31	2160.29
Purchase of Fixed Assets	(2.90)	(24.28)
Decrease/ (Increase) in Capital Work in Process	(133.32)	(17.11)
Interest & Dividend Received	21.92	63.46
<b>Net Cash flow from Investing activities (B)</b>	<b>3417.01</b>	<b>2182.36</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Inter-Corporate Deposits availed	200.00	0.00
Inter-Corporate Deposits repaid	(50.00)	(1222.00)
Repayment of long term borrowings	(625.00)	(606.31)
Repayment of Short term borrowings	(439.18)	(3549.11)
Proceeds of Short term borrowings	500.00	500.00
Repayment of Public Fixed Deposits		(1812.08)
Cash Credit from Banks	(33.53)	(47.88)
Fixed Deposits with Banks	87.34	267.96
Dividend paid during the year	(35.21)	(36.11)
Interest paid	(290.80)	(1146.53)
<b>Net Cash flow from Financing activities ( C )</b>	<b>(686.38)</b>	<b>(7652.06)</b>
<b>Net increase in Cash and cash equivalents ( A+B+C)</b>	<b>(33.87)</b>	<b>45.92</b>
<b>Op. Bal. Cash &amp; cash equivalents</b>	<b>74.66</b>	<b>28.74</b>
<b>Cl. Bal. Cash &amp; cash equivalents</b>	<b>40.79</b>	<b>74.66</b>

The accompanying notes forms an integral part of the financial statements (Note no. 1 to 39)

As per our report of even date attached

For and on behalf of the Board of Directors

**Jayesh Dadia & Associates LLP**  
Chartered Accountants  
ICAI Firm Registration  
No.121142W/W100122

**Maitreya V. Doshi**  
Chairman & Managing  
Director  
DIN No. 00060755

**Umesh Mistry**  
Company Secretary

**K. S. Nair**  
Chief Financial Officer

**Rahil Dadia**  
Partner (M No 143181)

**Asit Javeri**  
Director  
DIN No. 00268114

Place : Mumbai  
Date : 22<sup>nd</sup> June, 2019

## Statement of Changes in Equity

(All amounts in Lakhs of Indian Rupees unless otherwise stated)

### A. Equity Share Capital

(₹ Lakh)

Particulars	No.	Amount
<b>Equity shares of ₹ 10/- each issued, subscribed and fully paid</b>		
<b>Balance at 1st April, 2017</b>	<b>30372570</b>	<b>3037.26</b>
Equity shares Forfeited of ₹ 10/- each	81610	2.69
Changes in equity share capital during the year		-
<b>Balance at 31st March, 2018</b>		<b>3039.95</b>
<b>Equity shares of ₹ 10/- each issued, subscribed and fully paid</b>		
<b>Balance at 1st April, 2018</b>	<b>30372570</b>	<b>3037.26</b>
Equity shares Forfeited of ₹ 10/- each	81610	2.69
Changes in equity share capital during the year		-
<b>Balance at 31st March, 2019</b>		<b>3039.95</b>

### B. Other Equity - Attributable to owner

(₹ Lakh)

Particulars	Reserves and Surplus				Other Comprehensive Income		Total
	Capital Reserve	Security Premium	General Reserve	Retained Earnings	Revaluation Reserve	Other items	
Balance at 1st April, 2017	0.84	3,188.88	12,385.64	(7,533.54)	19,503.15	142.57	27,687.54
Profit for the year	-	-	-	(12,399.24)	-	-	(12,399.24)
Other Comprehensive Income (Net of Tax)	-	-	-	-	-	104.23	104.23
<b>Total Comprehensive Income for the year</b>	-	-	-	<b>(12,399.24)</b>	-	<b>104.23</b>	<b>(12,295.01)</b>
<b>Balance at 31st March, 2018</b>	<b>0.84</b>	<b>3,188.88</b>	<b>12,385.64</b>	<b>(19,932.78)</b>	<b>19,503.15</b>	<b>246.80</b>	<b>15,392.53</b>

Particulars	Reserves and Surplus				Other Comprehensive Income		Total
	Capital Reserve	Security Premium	General Reserve	Retained Earnings	Revaluation Reserve	Other items	
Balance at 1st April, 2018	0.84	3,188.88	12,385.64	(19,932.78)	19,503.15	246.80	15,392.53
Profit for the year	-	-	-	(19659.90)	-	-	(19659.90)
Other Comprehensive Income (Net of Tax)	-	-	-	-	-	242.06	242.06
<b>Total Comprehensive Income for the year</b>	-	-	-	<b>(19659.90)</b>	-	<b>242.06</b>	<b>(19417.84)</b>
<b>Balance at 31st March, 2019</b>	<b>0.84</b>	<b>3,188.88</b>	<b>12,385.64</b>	<b>(39592.69)</b>	<b>19,503.15</b>	<b>488.86</b>	<b>(4025.31)</b>

As per our report of even date attached

**Jayesh Dadia & Associates LLP**  
Chartered Accountants  
ICAI Firm Registration  
No.121142W/W100122

**Maitreya V. Doshi**  
Chairman & Managing  
Director  
DIN No. 00060755

**Rahil Dadia**  
Partner (M No 143181)

**Asit Javeri**  
Director  
DIN No. 00268114

For and on behalf of the Board of Directors

**Umesh Mistry**  
Company Secretary

**K. S. Nair**  
Chief Financial Officer

Place : Mumbai  
Date : 22<sup>nd</sup> June, 2019

## Notes to financial statements for the year ended 31st March, 2019

(All amounts in Lakhs of Indian Rupees unless otherwise stated)

### (1) Corporate Information

Premier Ltd. is a BSE and NSE listed public company, incorporated under the Companies Act, 1913. It operates in only one business segment i.e Engineering. The Engineering segment consists of Manufacture of CNC Machines and large mechanical components for the wind energy and infrastructure sectors and professional and engineering services related thereto.

The registered office and plant of the company is located at Chinchwad, Pune while the Corporate office is located at Mumbai.

### (2) Significant Accounting Policies

#### (i) Basis of Preparation of Financial Statements and use of estimates

- (a) The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Act to be read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The Company's Financial Statements for the year ended 31st March, 2019 comprises of the Balance Sheet, Statement of Profit and Loss (including Other Comprehensive Income), Cash Flow Statement, Statement of Changes in Equity and the Notes to Financial Statements.
- (b) Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.
- (c) The preparation of financial statements, in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

#### (ii) Revenue Recognition

- a) The Company earns revenue primarily from Manufacture and Sale of goods, rendering services.
- b) Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Revenue from the sale of goods is recognised at the point in time when

- Control is transferred to the customer.
- The company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.

- c) Revenue is measured based on the transaction price, which is the consideration, adjusted for price concessions also excludes taxes collected from customers.
- d) Use of significant judgments in revenue recognition

The Company's order from customers could include promises to transfer products and services to a customer. The Company assesses the products / services promised in a order and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in order.

- e) Income from investments / other income is recognized on accrual basis.

#### (iii) Inventories are valued as under

- |  |   |   |
|--|---|---|
| a) Raw materials, Components, Stores & Spares, Loose Tools | : | At moving weighted average cost or net realizable value whichever is lower.                           |
| b) Finished Goods  | : | At lower of cost or net realizable value  |
| c) Work-in-Progress  | : | At lower of estimated cost or net realizable value  |
| d) Goods in Transit and under clearance                    | : | At lower of actual cost till date (inclusive of customs duty payable thereon) or net realizable value |
| e) Stock of Scrap  | : | At estimated net realizable value.  |

#### **(iv) Employee Benefits**

##### **a) Short Term Employee Benefits**

All employee benefits falling due wholly within twelve months of rendering service are classified as short term benefits. The benefits like salaries, wages etc. and the expected cost of bonus, ex-gratia are recognized in the period in which the employee renders the related service.

##### **b) Employment Benefits**

###### **i. Defined Contribution Plan**

Defined contribution plan consists of Government Provident Fund Scheme and Employee State Insurance scheme. Company's contribution paid/payable during the year under these schemes are recognized as expense in the statement of Profit and Loss. There are no other obligations other than the contribution made by the company.

###### **ii. Defined Benefit Plan**

The employees' gratuity schemes and long term compensated absences are the defined benefit plans. Company's liabilities towards gratuity and leave encashment are determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

Actuarial gains and losses arise due to re-measurement as result of the actual experience and the assumed parameters and changes in the assumptions used for valuation are recognised in the Other Comprehensive Income (OCI). Obligation is measured at the present value of estimated future cash flow using a discount rate that is determined by the reference to market yields at the Balance Sheet date on Government bonds.

#### **(v) Property, Plant and Equipment**

##### **a) Tangibles:**

Fixed assets (except free hold land) are stated at cost of acquisition or construction including installation cost, attributable interest and financial cost till such time assets are ready for its intended use and foreign exchange fluctuation on long term borrowings related to fixed assets, less accumulated depreciation, impairment losses and specific grants received if any. Free hold land is stated at revalued amount.

##### **b) Intangibles:**

Product Development Expenditure and License / Technical know-how fees:

Product Development expenditure of capital nature are added to Intangible assets. Expenditure on license and technical know-how fees and other related expenditure towards technological improvement of the products and/or components for captive use are treated as intangible assets. Expenditure of these nature are initially recognized as Intangible Assets under development and eventually transferred to Intangible assets block as appropriate on the commencement of the commercial production after the viability of the product is proven.

Property, Plant and Equipment were carried on historical cost in the balance sheet as on 31 March 2016 prepared in accordance with Indian GAAP. The Company has elected to regard those values as deemed cost at the date of the transition i.e 1st April, 2016 as permitted under Ind AS 101.

#### **(vi) Depreciation and amortization on Property, Plant & Equipment**

- a) Depreciation on fixed assets except free hold land is provided on pro-rata basis on straight line method over the useful lives of the assets prescribed in the Schedule II of the Companies Act, 2013.
- b) Depreciation on fixed assets sold or scrapped during the year is provided up to the month in which such fixed assets are sold or scrapped. Depreciation on additions to fixed assets is calculated on pro-rata basis from the month of addition.
- c) Product Development expenditure and License/Technical know-how fees are amortized over a period of 5 years from the accounting year in which the commercial production of such improved product commences.

#### **(vii) Investment Properties**

Property that is held for long-term rental yields or for capital appreciation or both and that is not own occupied by the company is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised. Investment properties are depreciated using the straightline method over their estimated useful lives. Though the company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes.

**(viii) Impairment of Assets:**

In accordance with Indian Accounting Standard 36 (INDAS 36) on "Impairment of Assets", where there is an indication of impairment of the Company's assets, the carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any impairment based on internal/external factors. An impairment loss, if any, is recognized in the Statement of Profit & Loss, wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount of the assets is estimated at the higher of its net selling price and its value in use. In assessing the value in use, the estimated future cash flows are discounted to the present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life. Previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

**(ix) Non - current assets held for sale**

Non - current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable.

Non - current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Non - current assets held for sale are disclosed under "Other Current Asset"

**(x) Foreign Currency Transactions**

- a) Foreign Currency transactions are recorded on the basis of exchange rates prevailing on the date of their occurrence.
- b) Foreign currency monetary assets and liabilities as on the Balance Sheet date are revalued in the accounts on the basis of exchange rates prevailing at the close of the year and exchange difference arising there-from is charged / credited to the Statement of Profit & Loss - except for the exchange difference arising on long term borrowings related to fixed assets, which are capitalized.

**(xi) Leases**

Leases are classified as finance or operating leases depending upon the terms of the lease agreements. Assets held under finance leases are recognized as assets of the Company on the date of acquisition and depreciated over their estimated useful lives.

Initial direct costs under the finance lease are included as part of the amount recognized as asset under the finance lease.

Rentals payable under operating leases are treated as expenses as and when they are incurred.

**(xii) Customs Duty**

Customs duty is accounted for as and when paid/provided.

**(xiii) Borrowing Cost**

As per Indian Accounting Standard 23 (Ind AS 23) on "Borrowing Costs" borrowing costs that are:

- (a) directly attributable to the acquisition, construction, production of a qualifying asset are capitalized as a part of cost of such asset till the time the asset is ready for its intended use and;
- (b) not directly attributable to qualifying assets are determined by applying a weighted average rate and are capitalized as a part of the cost of such qualifying asset till the time the asset is ready for its intended use. Remaining borrowing costs are recognized as an expense in the period in which they are incurred.

**(xiv) Contingencies and Provisions**

A provision is recognized when the Company has a present obligation as a result of past event. It is probable that an outflow of resources embodying economic benefit will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimate of the expenditure required to settle the obligation at the balance sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote.

**(xv) Taxation**

Tax expense comprises of current tax and deferred tax charge or credit. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. The deferred tax charge or credit is recognized using prevailing enacted or substantively enacted tax rate. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Deferred tax assets/liabilities are reviewed as at each balance sheet date based on developments during the period and available case law to re-assess realization/ liabilities.

## (xvi) Financial Instruments

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

### a. Financial Assets

#### (i) Initial recognition and measurement

The Company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way trade of financial assets are accounted for at trade date.

#### (ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, debt instruments at amortised cost are subsequently measured at amortised cost using the effective interest rate method, less impairment, if any.

- Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

- Financial assets at fair value through profit or loss

Financial assets which are not classified in any of the above categories are subsequently fair valued through profit or loss.

- Investment in Associate

Investment in Associate is carried at cost in the financial statements

#### De-recognition:

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.

### b. Financial Liabilities

#### (i) Initial recognition and measurement

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments. Financial liabilities are classified, at initial recognition, at fair value through profit and loss or as those measured at amortised cost.

#### (ii) Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

-Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and loss include financial liabilities held for trading. The Company has not designated any financial liabilities upon initial recognition at fair value through profit and loss.

-Financial liabilities measured at amortised cost

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method except for those designated in an effective hedging relationship.

#### De-recognition

A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.



**c. Fair Value**

The Company determines the fair value of its financial instruments on the basis of the following hierarchy:

**Level 1:** The fair value of financial instruments quoted in active markets is based on their quoted closing price at the balance sheet date. Examples include exchange-traded commodity derivatives and other financial assets such as investments in equity and debt securities which are listed in a recognized stock exchange.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable arm's length transactions. For example, the fair value of forward exchange contracts, currency swaps and interest rate swaps is determined by discounting estimated future cash flows using a risk-free interest rate.

**Level 3:** The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs). The cost of unquoted investments approximate the fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within that range.

**(3) Property Plant and Equipment (PPE)**

(₹ Lakh)

Assets	COST/ BOOK VALUE				DEPRECIATION				NET BLOCK	
	Gross Block as at 01/04/2017	Additions/ Adjustments	Deductions	Gross Block as at 31/03/2018	Depre- ciation Fund as at 01/04/2017	Deduc- tions	Depre- ciation for the year	Depre- ciation fund as at 31/03/2018	Net Block as at 31/03/2018	Net Block as at 31/03/2017
<b>Freehold Land</b>	12500.00	-	-	12500.00	-	-	-	-	12500.00	12500.00
<b>Buildings</b>	11050.24	-	-	11050.24	3659.19	-	319.15	3978.34	7071.90	7391.05
<b>Plant and Machinery &amp; Equipment's</b>										
<b>Own</b>	26934.62	2147.28	-	29081.90	13190.96	-	2175.08	15366.04	13715.86	13743.66
<b>Cars &amp; Vehicles</b>	150.50	-	-	150.50	111.73	-	11.89	123.62	26.88	38.77
<b>Furniture</b>	315.39	-	-	315.39	217.75	-	23.57	241.32	74.07	97.64
<b>Office Equipment's</b>	188.46	1.57	-	190.03	171.79	-	4.15	175.94	14.09	16.67
<b>Dies &amp; Jigs</b>	2699.30	14.45	-	2713.75	970.96	-	179.93	1150.89	1562.86	1728.34
<b>Total</b>	<b>53838.51</b>	<b>2163.30</b>	<b>-</b>	<b>56001.81</b>	<b>18322.38</b>	<b>-</b>	<b>2713.77</b>	<b>21036.15</b>	<b>34965.66</b>	<b>35516.13</b>

Assets	COST/ BOOK VALUE				DEPRECIATION				NET BLOCK	
	Gross Block as at 01/04/2018	Additions/ Adjustments	Deductions	Gross Block as at 31/03/2019	Depre- ciation Fund as at 01/04/2018	Deduc- tions/ Adjust- ment**	Depre- ciation for the year	Depre- ciation fund as at 31/03/2019	Net Block as at 31/03/2019	Net Block as at 31/03/2018
<b>Freehold Land*</b>	12500.00	-	12500.00	-	-	-	-	-	-	12500.00
<b>Buildings</b>	11050.24	-	-	11050.24	3978.34	-	314.44	4292.78	6757.46	7071.90
<b>Plant and Machinery &amp; Equipment's</b>										
<b>Own</b>	29081.90	2.58	-	29084.48	15366.04	2930.42	2358.40	20654.87	8429.62	13715.86
<b>Cars &amp; Vehicles</b>	150.50	-	-	150.50	123.62	-	9.25	132.87	17.63	26.88
<b>Furniture</b>	315.39	-	-	315.39	241.32	-	20.32	261.64	53.75	74.07
<b>Office Equipment's</b>	190.03	0.32	-	190.35	175.94	-	1.97	177.91	12.44	14.09
<b>Dies &amp; Jigs</b>	2713.75	-	-	2713.75	1150.89	-	179.92	1330.81	1382.94	1562.86
<b>Total</b>	<b>56001.81</b>	<b>2.90</b>	<b>12500.00</b>	<b>43504.71</b>	<b>21036.15</b>	<b>2930.42</b>	<b>2884.30</b>	<b>26850.87</b>	<b>16653.84</b>	<b>34965.66</b>

Disclosed as Asset held for sale

\*\* Includes Provision for impairment of Rs 2930.42 Lakhs on plant & machinery. Impairment loss is recognized based on the management estimate of Net selling price less carrying value of these assets.

- a) In order to reduce the overall debt and infuse funds for operations, Company has planned monetization of its real estate assets. In this connection, during the current year, with the consent of secured lenders, Company has entered into a term sheet for sale of its land at Chinchwad Pune with Runwal Realty Private Limited. Accordingly, as on the reporting date, Company's land at Pune has been classified as "Assets held for sale" as per IND AS 105 and shown at carrying value which is lower than the fair value less selling cost. The proposed land sale transaction would be subject to the final approvals from secured lenders and other necessary permissions and approvals as required.

In view of the above, during the current year, Company has initiated relocation of its manufacturing operations from its existing Chinchwad plant to a long-lease held plant at Chakan. Currently, the plant relocation is nearing completion.

The Company had revalued its land in July 2010 through an external valuer at fair market value and the increase due to revaluation has been added to the book value of land and to the revaluation reserve. The revaluation reserve will be released to statement of Profit and Loss in subsequent years upon sale of land.

- a) Company's land at Dombivali is considered as Investment property at valued at cost as per Ind AS 40.

	As at 31.03.2019	As at 31.03.2018
Land held as Investment property	8597.22	8597.22

Estimation of fair value: Method of Estimation

We have used the government guideline rates for the purposes of arriving at the fair value of land and carrying amount best represent the current market value of land.

On the grounds of prudence and as per the legal opinion obtained, the surplus of Rs.1167 lakhs arose upon re-conversion of stock-in trade into land in the financial year 2008-09 continues to be included in the General Reserve of the company and will not be considered for distribution till it is realized.

The net carrying value of PPE, including Capital work-in-progress and assets reclassified as asset held for sale aggregating to Rs. 29401.22 Lakhs as on 31st March 2019(Rs. 35079.72 Lakhs as on 31st March 2018) are pledged as securities for the Company's Borrowings

#### (4) Intangible Assets

(₹ Lakh)

Assets	COST/ BOOK VALUE				DEPRECIATION				NET BLOCK	
	Gross Block as at 01/04/2017	Additions/ Adjustments	Deductions	Gross Block as at 31/03/2018	Depreciation Fund as at 01/04/2017	Deductions	Depreciation for the year	Depreciation fund as at 31/03/2018	Net Block as at 31/03/2018	Net Block as at 31/03/2017
Computer and Other Applications Software	245.59	7.26	-	252.85	232.70	-	1.63	234.33	18.52	12.89
Technical Know How	4131.27	-	-	4131.27	3988.92	-	103.54	4092.46	38.81	142.35
<b>Total</b>	<b>4376.86</b>	<b>7.26</b>	<b>-</b>	<b>4384.12</b>	<b>4221.62</b>	<b>-</b>	<b>105.17</b>	<b>4326.79</b>	<b>57.33</b>	<b>155.24</b>

Assets	COST/ BOOK VALUE				DEPRECIATION				NET BLOCK	
	Gross Block as at 01/04/2018	Additions/ Adjustments	Deductions	Gross Block as at 31/03/2019	Depreciation Fund as at 01/04/2018	Deductions	Depreciation for the year	Depreciation fund as at 31/03/2019	Net Block as at 31/03/2019	Net Block as at 31/03/2018
Computer and Other Applications Software	252.85	-	-	252.85	234.33	-	1.15	235.48	17.37	18.52
Technical Know How	4131.27	-	-	4131.27	4092.46	-	38.81	4131.27	-	38.81
<b>Total</b>	<b>4384.12</b>	<b>-</b>	<b>-</b>	<b>4384.12</b>	<b>4326.79</b>	<b>-</b>	<b>39.96</b>	<b>4366.75</b>	<b>17.37</b>	<b>57.33</b>

The net carrying value of intangible assets Rs. 17.37 Lakhs as on 31st March 2019(Rs. 57.33 Lakhs as on 31st March 2018) are pledged as securities for the Company's Borrowings.

**(5) Investments****(₹ Lakh)**

	As at 31.03.2019	As at 31.03.2018
<b>INVESTMENTS (OTHER THAN TRADE)</b>		
<b>Investments in equity instruments(Fully Paid Quoted)</b>		
<b>IN ASSOCIATES</b>		
<b>PAL Credit and Capital Limited (Quoted)</b>		
58,99,169 equity shares of ₹ 1 each fully paid	651.70	651.70
(Previous year 58,99,169 equity shares of ₹ 1 each fully paid)	651.70	651.70
<b>Less:</b> Provision for diminution in value of investments.	-	-
<b>NON TRADE INVESTMENT</b>		
<b>UNQUOTED EQUITY INSTRUMENTS</b>		
<b>Saraswat Co-op. Bank Limited</b>		
2,500 Shares of ₹ 10 each fully paid	0.25	0.25
(Previous year 2,500 Shares of ₹ 10 each fully paid)		
<b>Total Investments</b>	<b>0.25</b>	<b>0.25</b>

**Aggregate Values :**

1. Aggregated amount of quoted investments	-	-
2. Aggregated Amount of Market Value of quoted investments	-	-
3. Aggregated Amount of unquoted investments	0.25	0.25
4. Aggregated Amount of impairment in value of investments.	651.70	651.70

31.03.2019	Level I	Level II	Level III
Investments	-	-	0.25
31.03.2018	Level I	Level II	Level III
Investments	-	-	0.25

- a) PAL Credit and Capital Limited, (PALCC) is an associate Company, promoted by Premier Ltd with shareholding of 27.31%. In order to meet the minimum regulatory compliances and day to day running of the affair of PALCC, the company had extended funding from time to time totaling to Rs. 255.25 Lakhs to PALCC. The operation of PALCC as an NBFC could not be revived despite best efforts by Premier due to lack of capital and inability of Premier to provide any further funding. As a result, PALCC had to surrender its NBFC license to RBI during the year. The company has already provided for the said amount advanced to PALCC in the earlier years. Company has also provided for 100% diminution of its investment in the equity share of PALCC. In view of above, no interest is charged on outstanding amount of PALCC.
- b) The Company has in its possession the share certificates and the blank transfer forms executed by Automobiles Peugeot in respect of 8,40,25,000 equity shares of Pal-Peugeot Ltd (under liquidation) gifted by them in the year 1999. These shares could not be transferred in company's name as Pal-Peugeot Ltd was not functioning. The Company has filed a petition before the Hon'ble Bombay High Court for permission to transfer the said shares in the name of the Company and the petition is pending for disposal by the Court. Meantime, the Company is holding these shares as 'holder in due course'.

**(6) Loans and Advances****(₹ Lakh)**

	Non - Current		Current	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Security Deposit-Secured, considered good	385.51	282.96	257.31	0.00
Loans & advances to related parties-unsecured (refer note no. 5 a)	-	-	385.25	385.25
Provision for Doubtful advances	-	-	(385.25)	(385.25)
Advances recoverable in cash or in kind or for value to be received	194.75	194.75	788.76	578.69
<b>Other loans &amp; advances, Unsecured, Considered Good</b>				
Advance income-tax	-	-	879.70	1,033.26
Prepaid expenses	117.55	-	51.56	36.17
Unearned Income - Pmt under protest	3828.75	3825.21	-	-
Balances with Excise, Customs port trust etc.	-	-	166.38	166.38
<b>Total</b>	<b>4526.56</b>	<b>4302.92</b>	<b>2143.71</b>	<b>1814.50</b>

**(7) Deferred tax Assets/(Liability)****(₹ Lakh)**

	As at 31.03.2019	As at 31.03.2018
<b>Deferred Tax Liability</b>		
Intangible Assets under development	966.10	966.10
Depreciation difference	2614.43	2614.43
<b>Total (a)</b>	<b>3580.53</b>	<b>3580.53</b>
<b>Deferred Tax Assets</b>		
Unabsorbed Depreciation	5001.92	5001.92
Unabsorbed Business loss	1272.00	1272.00
Unabsorbed long term capital loss	1372.36	1372.36
Provision for diminution in the value of investments	59.63	59.63
Inventories	367.07	367.07
Expenditure allowable on Payment Basis	92.70	92.70
<b>Total (b)</b>	<b>8165.68</b>	<b>8165.68</b>
<b>Net deferred Tax Asset(b-a)</b>	<b>4585.15</b>	<b>4585.15</b>

- a) Tax provision under Minimum Alternate Tax (MAT) as per provisions of section 115 JB of the Income Tax Act, 1961 is ₹ NIL in the absence of any taxable income for the current year (Previous year Rs.NIL).
- b) The benefit of credit against the payments made towards MAT for the earlier years is available in accordance with the provisions of section 115JAA over a period of subsequent fifteen assessment years and the same will be accounted for when they actually arise.
- c) The Company had recognized a net deferred tax asset of Rs.4585.15 Lakhs till March, 2015, upon reassessment of prevalent business situation, tax position and as a measure of prudence; the company has not recognized further deferred tax assets subsequent to March, 2015

**(8) Other Assets**

	Non - Current		Current	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Interest accrued on bank deposits	-	-	0.45	0.82
Asset held for sale	-	-	12500.00	0.00
Other Receivables	-	-	6279.07	6424.67
<b>Total</b>	<b>-</b>	<b>-</b>	<b>18779.52</b>	<b>6425.49</b>

- a) The Company is in the process of handing over of possession for certain portions of land as a part of land transaction executed with Horizon Projects Pvt. Ltd. in 2012-13. This process of measurement and demarcation is in progress. Therefore, an amount of Rs. 4196.48 lakhs due from Horizon Projects Pvt. Ltd. on this account has been shown as other receivables under "Other Current Assets".
- b) During the last year, land admeasuring 44254 square meters, forming part of Company's Land at Bhopar near Dombivli, was acquired by the Indian Railway for its Western Dedicated Freight Corridor Project (DFCCIL) and the Company has received compensation of Rs. 11625.44 Lakhs. Further land area of 5222 square meters would be acquired by Indian Railway during the year 2018-19 and compensation expected to be received on this account is Rs. 2082.58 Lakhs. The Company had already accounted in earlier years on accrual basis acquisition based on notifications issued by the Indian Railway.

**(9) Inventories****(₹ Lakh)**

(Refer Note No.1 (iii) Basis of Valuation)  
(Value as certified by Management)

	As at 31.03.2019	As at 31.03.2018
Raw materials and components (Includes GIT)	1283.87	1557.13
Finished components	212.08	222.93
Work-in-progress (Refer Note No. 21)	3297.32	6546.60
Finished goods	49.62	49.62
Stores and spares	35.46	10.34
Loose tools	17.69	53.73
<b>Total</b>	<b>4896.04</b>	<b>8440.35</b>

Total Inventories are pledged as securities for the Company's Borrowings.

**(10) Trade Receivables****(₹ Lakh)**

	Non Current		Current	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
<b>Unsecured</b>				
Outstanding over six months from due date:				
- Considered good	-	-	3281.31	2299.39
- Considered doubtful	35.94	35.94	-	5202.80
- Less : Provision for doubtful debts	(35.94)	(35.94)	-	(1300.70)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>3281.31</b>	<b>6201.49</b>
Others, considered good	-	-	174.99	358.45
<b>Total Trade Receivables</b>	<b>-</b>	<b>-</b>	<b>3456.30</b>	<b>6559.94</b>

Total Receivables are pledged as securities for the Company's Borrowings.

**(11) Cash and cash equivalents****(₹ Lakh)**

	As at 31.03.2019	As at 31.03.2018
<b>Cash and cash equivalents:</b>		
Cash on hand	2.21	1.12
Balance with Scheduled Banks in Current accounts	38.58	73.54
<b>Other Bank balances:</b>		
- in current accounts earmarked for specific statutory payments	238.74	257.89
- in Fixed deposit accounts (pledged with banks against LC margin / guarantees given by banks)		
- Maturing within 12 Months	156.80	249.14
- Maturing after 12 months but within 5 Years	5.00	
<b>Total</b>	<b>441.33</b>	<b>581.69</b>

**(12) Share Capital****(₹ Lakh)**

Share Capital	As at 31.03.2019	As at 31.03.2018
<b>A) Authorised, Issued, Subscribed and paid-up Share Capital and par value per Share</b>		
<b>AUTHORISED :</b>		
4,00,00,000 Equity Shares of ₹ 10 each (Previous year 4,00,00,000 Equity- Shares of ₹ 10 each)	4000.00	4000.00
<b>ISSUED :</b>		
3,04,54,180 Equity Shares of ₹ 10 each (Previous year 3,04,54,180 Equity Shares of ₹10 each.)	3045.42	3045.42
<b>SUBSCRIBED AND PAID UP :</b>		
3,03,72,570 Equity Shares of ₹ 10 each fully paid, (Previous year 3,03,72,570 Equity Shares of ₹10 each fully paid)	3037.26	3037.26
Add : Forfeited shares amount paid up (81610 Equity Shares)	2.69	2.69
<b>Total</b>	<b>3039.95</b>	<b>3039.95</b>

	As at 31.03.2019	As at 31.03.2018
<b>B) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year</b>		
Number of shares outstanding as at the beginning of the year	30372570	30372570
Number of shares outstanding as at the end of the year	30372570	30372570

**C) The Rights, Preferences, Restriction including restriction on the distribution of dividend and repayments of capital**

- 1) The Company is having only one class of shares that is Equity carrying nominal value of Rs.10 per share.
- 2) Every holder of equity share of the Company is entitled to one vote per share held.
- 3) In the event of liquidation of the Company, the equity share holder will be entitled to receive remaining assets of the Company after the distribution / repayments of all creditors. The distribution to the share holder will be in proportion of the number of shares held by each share holder.
- 4) The Company declares and pays dividend on the equity shares in Indian Rupees. Dividend proposed by the Board of Directors is subject to approval of the share holders at the ensuing Annual General Meeting.
- 5) During the year ended 31st March 2019, no dividend is proposed for the equity share holders [Previous year no dividend was proposed for the equity share holders]

**D) Details of shareholders holding more than 5% shares in the company**

Equity shares of ₹ 10/- each fully paid	As at 31.03.2019		As at 31.03.2018	
	No of Shares	% of holding	No of Shares	% of holding
1. Doshi Holdings Pvt. Ltd. (Enterprise over which KMP are able to exercise significant influence)	13,612,702	44.82%	13,612,702	44.82%
2. Life Insurance Corporation of India	1,820,815	5.99%	1,820,815	5.99%
3. Patton International Ltd.	24,00,000	7.90%	23,90,629	7.87%

**(13) Other Equity**

(₹ Lakh)

Particulars	Reserves and Surplus				Other Comprehensive Income		Total
	Capital Reserve	Security Premium	General Reserve	Retained Earnings	Revaluation Reserve	Other items	
Balance at 1st April, 2017	0.84	3,188.88	12,385.64	(7,533.54)	19,503.15	142.57	<b>27,687.54</b>
Profit for the year	-	-	-	(12,399.24)	-	-	<b>(12,399.24)</b>
Other Comprehensive Income (Net of Tax)	-	-	-	-	-	104.23	<b>104.23</b>
<b>Total Comprehensive Income for the year</b>	-	-	-	<b>(12,399.24)</b>	-	<b>104.23</b>	<b>(12,295.01)</b>
<b>Balance at 31st March, 2018</b>	<b>0.84</b>	<b>3,188.88</b>	<b>12,385.64</b>	<b>(19,932.78)</b>	<b>19,503.15</b>	<b>246.80</b>	<b>15,392.53</b>

Particulars	Reserves and Surplus				Other Comprehensive Income		Total
	Capital Reserve	Security Premium	General Reserve	Retained Earnings	Revaluation Reserve	Other items	
Balance at 1st April, 2018	0.84	3,188.88	12,385.64	(19,932.78)	19,503.15	246.80	<b>15,392.53</b>
Profit for the year	-	-	-	(19659.90)	-	-	<b>(19659.90)</b>
Other Comprehensive Income (Net of Tax)	-	-	-	-	-	242.06	<b>242.06</b>
<b>Total Comprehensive Income for the year</b>	-	-	-	<b>(19659.90)</b>	-	<b>242.06</b>	<b>(19417.84)</b>
<b>Balance at 31st March, 2019</b>	<b>0.84</b>	<b>3,188.88</b>	<b>12,385.64</b>	<b>(39592.69)</b>	<b>19,503.15</b>	<b>488.86</b>	<b>(4025.31)</b>

**(14) Long Term Borrowings****(₹ Lakh)**

	Non Current		Current Maturities	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
<b>Term Loans from Banks (Secured)</b>				
Corporation Bank	-	892.96	1875.00	1607.04
<b>Loans From Others (secured)</b>				
Edelweiss ARC Trust	4690.03	8261.75	17578.66	14006.94
First Leasing Company of India Ltd.	-	-	331.46	331.46
Others (Unsecured)	-	-	2766.80	2,296.40
<b>Total Long Term borrowing</b>	<b>4690.03</b>	<b>9154.71</b>	<b>22551.92</b>	<b>18241.84</b>
Secured borrowings	4690.03	9154.71	19785.12	15945.44
Unsecured borrowings	-	-	2766.80	2296.40
<b>Total Amount</b>	<b>4690.03</b>	<b>9154.71</b>	<b>22551.92</b>	<b>18241.84</b>
Amount disclosed under the head "other Current liabilities" (Refer Note No.17)	-	-	(22551.92)	(18241.84)
<b>Net Amount</b>	<b>4690.03</b>	<b>9154.71</b>	<b>0.00</b>	<b>0.00</b>

- a) Company Bankers namely State Bank of India, State Bank of Hyderabad and The Jammu & Kashmir Bank Ltd have assigned Company's entire banking facilities in the earlier years to Edelweiss Asset Reconstruction Company Limited (EARC) with all the rights, title and interests in financial assistances granted by the above mentioned banks together with all the underlying securities and guarantees in favor of EARC Trust.

These loans are secured by way of pari-passu charge on Company's land, plant & machinery and current assets located at the plant at Chinchwad or in transit. EARC also holds an exclusive charge on the 41.55 acres of the Company's land located at Kalyan/ Dombivali towards the Corporate Loan of Rs 14725 lakhs which forms part of the loans assigned to EARC Trust by SBI. Annual rate of Interest varies from 1.50% to 6.35% above the base rates of these banks. Company's proposal for restructuring of entire debts with longer tenure and reduced rates of interest is in progress with the EARC Trust. As on 31st March 2019, Principal amount of Rs 14643.23 Lakh and interest of Rs 15720.09 Lakh remains unpaid for a period ranging from 0-47 months. Company is yet to receive balance confirmation for above.

- b) Company has arrived at One Time Settlement (OTS) of its dues with Corporation Bank subsequent to the bank filing its case for recovery of its dues before NCLT. This has resulted in the write back of the interest provisions made in the past amounting to Rs 1381.49 Lakhs (refer note no. 19) and the same has been reflected in other income in the current year. Company has already paid 20% of the settlement amount and the balance is payable in March and September 2019.

In view of the certain delays in obtaining necessary approvals/permissions from various authorities relating to plant relocation and land monetization, company could not meet the OTS installment in March 2019. In the recently held hearing before NCLT, the Company has been directed to pay the OTS installment by 10th July 2019.

- c) Hire purchase Loan of Rs 331.46 Lakhs from First leasing Company of India Limited is secured under the specific Fixed Asset procured against the said Loan. This loan was repayable in variable monthly installments till October 2016; annual rate of Interest is 2% above SBI base rate. As on 31st March 2019, Principal amount of Rs 331.46 Lakhs and interest of Rs.52.91 Lakhs remain unpaid for a period ranging between 0-48 months.

All the above facilities covered under (a) to (c) are also secured by the personal guarantee of Mr. Maitreya V. Doshi, Chairman and Managing Director of the Company.

- d) Unsecured loan include Interest free advance from a customer of USD 4 Million received in the earlier years. Company has initiated the process for seeking extension of repayment of same by March 2021.

**(15) Provisions****(₹ Lakh)**

	Long Term		Short Term	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
<b>Provision for employee benefits</b>				
Provision for Gratuity	381.92	346.02	41.90	139.62
Provision for Leave benefits	108.48	180.01	25.23	84.14
<b>Other Provision</b>				
Provision for Wealth tax ( Net of advance tax payment)	-	-	-	135.70
For Warranties	-	-	4.48	4.48
<b>Total</b>	<b>490.40</b>	<b>526.03</b>	<b>71.61</b>	<b>363.94</b>

**Movement in Provisions****(₹ Lakh)**

Particulars	Opening Balance 01.04.2018	Additions during the year	Amount paid / Adjusted during the year	Closing balance 31.03.2019
Leave Encashment	264.15	-	130.44	133.71
Gratuity	485.64	-	61.82	423.82
Provision for warranty	4.48	-	-	4.48

**(16) Short term Borrowings****(₹ Lakh)**

	As at 31.03.2019	As at 31.03.2018
Cash Credit from Corporation Bank	499.31	499.31
Short term loan from Corporation Bank	118.03	118.03
Short term loan from EARC	499.02	438.20
Working Capital Facilities assigned to EARC Trust	7136.29	7169.82
Inter-Corporate Deposits	2050.00	1900.00
<b>Total short term borrowings</b>	<b>10,302.65</b>	<b>10,125.36</b>
<b>The above amounts includes</b>		
Secured borrowings	8252.65	7787.16
Unsecured borrowings	2050.00	2338.20
<b>Total</b>	<b>10,302.65</b>	<b>10,125.36</b>

- a. The Inter Corporate Deposits of Rs.2050 Lakhs (Previous year Rs. 1900 Lakhs) are unsecured short term Loans repayable within 3 to 6 months with Interest rate varying 14.50% to 22.00% p.a. The above includes Rs. 600 Lakhs (Previous year Rs.600 Lakhs) borrowed by the Company for which the promoters have pledged their shares.
- b. Short term Loan from EARC of Rs 499.02 Lakhs is secured against the Company's Land at Dombivali Kalyan and land, Plant and machinery located at Chinchwad Pune. EARC also holds a prior charge on the cash flows of the Company. Promoters have also pledged their shares as additional security for this loan. This loan is repayable in 6 installments starting from May 2019 with interest at 18% p.a.

**(17) Trade Payables and Other current liabilities****(₹ Lakh)**

	As at 31.03.2019	As at 31.03.2018
<b>Trade Payables</b>	2135.94	2137.03
<b>Other Current Liabilities</b>		
Advances and deposits from dealers, Customers, etc.	574.71	467.03
Advances and deposits against Land sale (Refer Note No. 3 a )	5691.60	2160.29
Employee Related	1402.69	1740.31
Unclaimed Dividend	180.60	215.81
Current maturities of long term borrowings (Refer Note No. 14)	22551.92	18241.84
Earnest money deposit from related party	1160.50	1165.50
Interest accrued and due on borrowing	16020.77	11673.69
Unclaimed Public Fixed Deposit	56.61	40.55
<b>Total</b>	<b>47639.40</b>	<b>35705.01</b>

**(18) Revenue from Operations****(₹ Lakh)**

	For the year ended 31.03.2019	For the year ended 31.03.2018
<b>Sale of Products:</b>		
CNC Machines	1257.77	997.12
Spares	87.03	32.77
<b>Sale of Services:</b>		
Engineering	273.48	950.49
<b>Other Operating Revenues:</b>		
Scrap	31.92	26.16
<b>Total Revenue From Operations</b>	<b>1650.20</b>	<b>2006.54</b>



**(19) Other Income****(₹ Lakh)**

	For the year ended 31.03.2019	For the year ended 31.03.2018
Interest Income	21.55	59.39
Interest on Income tax refund	-	3.14
Other balances written off / back (Net) (Refer note no. 14b)	1545.00	1080.78
Net Gain on foreign currency translation	7.98	0.00
Miscellaneous Income	0.18	70.32
<b>Total Other Income</b>	<b>1574.71</b>	<b>1213.63</b>

**(20) Cost of Material Consumed****(₹ Lakh)**

	For the year ended 31.03.2019	For the year ended 31.03.2018
<b>Inventory at the beginning of the year</b>	1557.13	2540.35
Add : Purchases	534.62	1672.77
Less : Inventory at the end of the year	1283.86	1557.13
<b>Cost of raw materials consumed</b>	<b>807.89</b>	<b>2655.99</b>

**(21) Changes in inventories of Finished Goods and Work in Progress****(₹ Lakh)**

	For the year ended 31.03.2019	For the year ended 31.03.2018
<b>Stocks at commencement :</b>		
Finished goods	49.62	55.87
Finished components	222.93	144.09
Work-in-progress	6546.60	6899.82
	<b>6819.15</b>	<b>7099.78</b>
<b>Less :</b>		
<b>Stocks at close:-</b>		
Finished goods	49.62	49.62
Finished components	212.08	222.93
Work-in-progress	3297.32	6546.60
	<b>3559.02</b>	<b>6819.15</b>
Less : Stock transferred to CWIP	-	2146.28
Less : Inventory Obsolescence*	2993.25	-
<b>(Increase)/ Decrease in Inventory</b>	<b>266.88</b>	<b>(1865.65)</b>

\*Inventory obsolescence of Rs.2993.25 lakhs is recognized during the year on account of lower realizable value of certain inventory related to wind mill industry. The Company, in the past, had undertaken manufacturing of a customized large size machine having unique international specifications useful in the manufacturing of complex, heavy wind-mill components as required by an overseas customer. However, due to the liquidity constraints faced by the company, the order/delivery could not be completed in time resulting in the eventual cancellation of the said export order. Further company was also supplying windmill components to windmill customers and one of its major wind mill customer namely Wind World India Ltd is already admitted under Insolvency and Bankruptcy Code with the National Company Law Tribunal by its creditors. Company has also filed its claim with the resolution professional appointed by its lenders. There have been uncertainties prevailing in the wind mill sector and a very limited market exists for such a specific, large machine and these windmill components. Accordingly, the book value of these inventories is reflected at its net realizable value

**(22) Employee Benefits Expense****(₹ Lakh)**

	For the year ended 31.03.2019	For the year ended 31.03.2018
<b>Payment to and provisions for employees :</b>		
Salaries, wages, bonus etc,	2022.02	2389.63
Retiring Gratuities	152.35	99.92
Contribution to Provident and Other Funds	107.35	118.46
Welfare expenses	80.56	167.51
<b>Total Employee Benefits Expense</b>	<b>2362.28</b>	<b>2775.52</b>

**(23) Finance Cost****(₹ Lakh)**

	For the year ended 31.03.2019	For the year ended 31.03.2018
Interest on loan	5880.16	6034.06
Interest on others	133.24	273.10
Other Borrowing Cost	1.39	1.74
Bank and other charges	4.59	15.19
Amortisation of Financial Liability	305.37	267.01
Net Loss on foreign currency transaction	165.04	5.80
<b>Total Finance Costs</b>	<b>6489.79</b>	<b>6596.90</b>

**(24) Depreciation and amortization expense****(₹ Lakh)**

	For the year ended 31.03.2019	For the year ended 31.03.2018
Depreciation of tangible assets	2884.31	2713.77
Amortization of intangible assets	39.96	105.17
<b>Total</b>	<b>2924.27</b>	<b>2818.94</b>

**(25) Other Expenses****(₹ Lakh)**

	For the year ended 31.03.2019	For the year ended 31.03.2018
Stores, spares and tools consumed	67.63	114.95
GST Expense / Excise Duty	17.05	36.73
Power, fuel and water	150.26	161.94
<b>Repairs and Maintenance :</b>		
Machinery	2.18	4.41
Buildings	9.57	15.34
Other assets	20.90	2.04
Lease rental on fixed assets	5.09	14.45
Rent	45.01	57.04
Rates and taxes	1.95	317.48
Insurance	14.88	30.30
<b>Remuneration to Auditors:</b>		
-Statutory Auditors	8.00	8.00
-In other capacities: Tax Audit	2.00	2.00
-Certification and other matters	4.86	3.73
-For expenses	0.22	0.11
Directors fees and travelling expenses	0.43	8.22
Professional & Legal fees	387.77	218.66
Net Loss on Sale of fixed assets	0.00	0.00
Other expenses	214.14	322.71
Sales and Service expenses	41.21	21.68
Bad Debts	4241.62	0.00
Provision for doubtful debts & advances utilized	(1300.70)	0.00
Provision for doubtful debts & advances	0.00	1685.95
Travelling and conveyance	76.04	125.49
<b>Total Other Expenses</b>	<b>4010.11</b>	<b>3151.23</b>

**(26) Exceptional Items****(₹ Lakh)**

	For the year ended 31.03.2019	For the year ended 31.03.2018
Provision for impairment of fixed assets (Refer Note 3)	(2930.42)	0.00
Compensation from DFCCIL (Refer Note 8 (b) )	0.00	466.91
<b>Total Exceptional Items</b>	<b>(2930.42)</b>	<b>466.91</b>

**(27) Contingent Liability Not Provided For**

- a) Disputed indeterminate claims made by the employees regarding reinstatement, wages for the period of suspension etc. relating to the past years pending before Industrial Tribunals/High Court.
- b) Liabilities disputed in appeals  
 Service Tax : Rs 73.93 Lakhs  
 Excise : Rs 10.00 Lakhs  
 Sales Tax : Rs 4186 Lakhs (against which Rs 166 lakhs paid under protest)  
 FEMA : Rs 65.49 Lakhs
- c) The Company has paid an amount of Rs. 3828.75 Lakhs (Previous year Rs 3825.21 Lakhs) to the Government of Maharashtra "under protest" towards "Unearned Income" on sale of land and compulsory acquisition of land. The Company's appeal in this regard is pending before the Government of Maharashtra. This forms part of "Loans & Advances" and is considered as a contingent liability.
- d) Additional compensation, if any, in relation to certain demands in Consumer Forum cases, amount unascertained but considered to be insignificant.
- e) Claims against company not acknowledged as debt amounting to Rs. 93.45 Lakhs (Previous year Rs 93.45 Lakhs)
- f) Guarantees issued by bank amounting to Rs.119.01 Lakhs (Previous year Rs.286.25 Lakhs).

**(28) Capital Commitments & Other Commitments**

Estimated amount of contracts remaining to be executed on capital account (net of advances) is approximately Rs. 883 Lakhs (Previous Year Rs. Nil Lakhs).

**(29) Lease**

Operating Lease Company As A Lessee

- A) Total of the future minimum lease payments under non-cancellable operating leases for each of the following periods are as follows: (₹ Lakh)

Sr. No.	Particulars	As on 31.03.2019	As on 31.03.2018
a)	Not later than one year	240.88	167.15
b)	Later than one year but not later than five year	1472.44	Nil
c)	Later than five years	1396.39	Nil

- B) Lease payments recognised in the Statement of Profit and Loss Rs. 5.09 Lakhs (Previous year Rs. 14.45 Lakhs)

- C) General description of leasing arrangement

- i) Leased Assets : Factory Premises  
 ii) Future Lease rentals are determined on the basis of agreed terms.

**(30) Employee Benefit**

- A) Defined Contribution Plans

Contribution towards provident fund & employee's state insurance corporation Rs. 104.08 Lakhs is recognized as an expense and included in Note 22, 'Employee Benefit Expenses', in the Statement of Profit & Loss.

- B) Defined Benefit Plans/Long Term Compensated Absences as per Actuarial Valuation (₹ Lakh)

Sr. No.	Particulars	Gratuity		Leave Encashment	
		2018-19	2017-18	2018-19	2017-18
<b>A</b>	<b>Expense recognised in the Statement of Profit &amp; Loss /Other Comprehensive Income</b>				
1	Current Service Cost	23.37	24.28	38.95	186.62
2	Interest Cost (on PBO as of 31.03.2019)	31.16	28.42	11.74	15.02
3	Employee Contributions	---	---	---	---
4	Expected return on plan assets	---	---	---	---
5	Actuarial (Gains)/ Losses	(60.93)	31.16	(181.12)	(182.00)
6	Past service cost	---	---	---	---
7	Settlement cost	---	---	---	---
8	Total Expense	(6.41)	83.86	(130.44)	19.64

Sr. No.	Particulars	Gratuity		Leave Encashment	
		2018-19	2017-18	2018-19	2017-18
<b>B</b>	<b>Net Asset/(Liability) recognized in the Balance Sheet</b>				
1	Present value of Defined benefit obligation as at March 31, 2019	423.82	485.64	133.71	264.15
2	Fair value of plan assets as at March 31, 2019				
3	Funded status surplus/ (Deficit)	UNFUNDED	UNFUNDED	UNFUNDED	UNFUNDED
4	Net asset/ (liability) as at March 31, 2019	(423.82)	(485.64)	(133.71)	(264.15)
<b>C</b>	<b>Change in obligation During the year</b>				
1	Present value of Defined benefit obligation at the beginning of the year 01.04.2018	485.64	401.78	264.15	244.51
2	Current Service cost	23.37	24.28	38.95	186.62
3	Interest cost (on PBO as of March 31,2019)	31.16	28.42	11.74	15.02
4	Settlement cost	---	---	---	---
5	Past service cost	---	---	---	---
6	Employee contributions	---	---	---	---
7	Actuarial (Gains)/ Losses	(60.93)	31.16	(181.12)	(182.00)
8	Benefits payments	(55.41)	(0.00)	(0.00)	(0.00)
9	Present value of Defined benefit obligation at the end of the year	423.82	485.64	133.71	264.15
<b>D</b>	<b>Change in Assets during the year ended March 31, 2018</b>				
1	Plan assets at the beginning of the year 01.04.2018	---	---	---	---
2	Assets acquired in amalgamation in previous year	---	---	---	---
3	Settlements	---	---	---	---
4	Expected return on plan assets	---	---	---	---
5	Contributions by Employees	---	---	---	---
6	Actual benefits paid	NA	NA	NA	NA
7	Actuarial gains / (losses)	NA	NA	NA	NA
8	Plan assets at the end of the year				
9	Actual return on plan assets	NA	NA	NA	NA
<b>E</b>	<b>The Major categories of plan assets as a percentage of total plan</b>				
	Qualifying insurance policy	-	-	-	-
<b>F</b>	<b>Effect of one percentage point change in the assumed medical inflation rate</b>				
1	Increase/ (Decrease) on aggregate service and interest cost of post employment medical benefits	NA	NA	NA	NA
2	Increase / (Decrease) on present value of Defined benefit Obligation as at March 31, 2019	NA	NA	NA	NA
<b>G</b>	<b>Actuarial Assumptions :</b>				
1	Discount rate	7.63%	7.50%	7.63%	7.50%

Sr. No.	Particulars	Gratuity		Leave Encashment	
		2018-19	2017-18	2018-19	2017-18
2	Expected rate of return on plan assets	NA	NA	NA	NA
3	Mortality pre retirement	Indian Assured Lives Mortality (2012-14) Ult	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2012-14) Ult	Indian Assured Lives Mortality (2006-08) Ult
4	Mortality post Retirement	NA	NA	NA	NA
5	Turnover rate	1%	1%	1%	1%
6	Medical / premium Inflation	NA	NA	NA	NA

### (31) Segment Reporting

The Company is engaged in only one segment i.e Engineering.

Information about geographical areas

(₹ Lakh)

Revenue from External Customer	For the year ended 31.03.2019	For the year ended 31.03.2018
In India	1650.20	1898.82
Outside India	0.00	107.72

The total non-current assets (other than Financial instruments and Deferred tax assets) are located in India.

Information about major customers	For the year ended 31.03.2019	For the year ended 31.03.2017
Revenue- exceeding 10% from each single external customer	199.24	694.38

### (32) Related Party Disclosures

(a) List of Related Parties where control exists and related party with whom transactions have taken place and Relationships:

i. Associate Companies:

a) PAL Credit & Capital Ltd

ii. Enterprise over which Key Managerial Personnel (Chairman & Managing Director) are able to exercise significant influence :

a) Shri Lalchand Hirachand Premier Trust.

b) Doshi Holdings Pvt.Ltd.

iii. Key Managerial Personnel

a) Mr Maitreya V.Doshi - Chairman & Managing Director (CMD)

b) Mr Ramesh M. Tavhare\* - Company Secretary (CS) (Upto 15th March 2019)

c) Mr K.S. Nair\* - Chief Financial Officer (CFO)

d) Mr Umesh Mistry - Company Secretary (CS)( w.e.f. 22nd May 2019)

iv. Relative Of Key Managerial Personnel

a) Smt. Saryu Doshi - Mother of Mr Maitreya V.Doshi

b) Mrs Rohita Doshi - Wife of Mr Maitreya V.Doshi

\*With effect from 1.4.18, Company secretary & Chief Financial Officer had retired from the company payroll and joined as professional.

(b) Transactions during the year with and balance outstanding as at the end of the year with the related parties as follows:

(₹ Lakh)

Sr. No.	Related parties transactions	31st March 2019	31st March 2018
I	<b>Transactions with Associate Companies (Pal Credit &amp; Capital Ltd.)</b>		
a)	Advance Paid	-	16.20
b)	Interest Income (Refer note no. 5 a)	-	40.54

Sr. No.	Related parties transactions	31st March 2019	31st March 2018
c)	Year End Balances Receivable (including interest accrued)	385.25	385.25
<b>II</b>	<b>Transaction with Enterprise over which Key Managerial personnel are able to exercise significant influence.</b>		
a)	<b>Repayment of Earnest money deposit</b> Shri Lalchand Hirachand Premier Trust	5.00	34.50
b)	<b>Year End Balance</b> Payable to Shri Lalchand Hirachand Premier Trust	1160.50	1165.50
<b>III</b>	<b>Transaction with Key Managerial personnel</b>		
a)	Remuneration		
	CMD	106.76	111.00
	CS	34.50	32.25
	CFO	27.00	23.76
	Retirement benefits		
	CS	24.90	-
	CFO	16.81	-
	<b>Total</b>	<b>209.97</b>	<b>167.01</b>
	<b>Year End Balances :</b>		
	Salary /Fees Payable		
	CMD	7.75	22.33
	CS	5.17	12.62
	CFO	4.86	9.32
	Retirement Benefits payable		
	CS	22.76	-
	CFO	16.74	-
	<b>Total</b>	<b>57.28</b>	<b>44.27</b>
<b>IV</b>	<b>Transaction with Relative of Key Management Personnel</b>		
a)	Repayment of FDs		
	Mrs.Rohita M. Doshi	-	100.00
	Smt.Saryu V. Doshi	-	50.00
	<b>Total</b>	<b>-</b>	<b>150.00</b>
b)	Interest Expense - FDs		
	Mrs.Rohita M. Doshi	-	3.85
	Smt.Saryu V. Doshi	-	1.92
	<b>Total</b>	<b>-</b>	<b>5.77</b>

### (33) Earning per Share (EPS)

(₹ Lakh)

Sr. No.	Particulars	As on 31.03.2019		As on 31.03.2018	
		Basic	Diluted	Basic	Diluted
(a)	Net Profit/(Loss) (₹ Lakhs)	(19659.90)	(19659.90)	(12399.24)	(12399.24)
(b)	No. of Shares	30372570	30372570	30372570	30372570
(c)	Earning per share (₹)	(64.73)	(64.73)	(40.82)	(40.82)

### (34) Unhedged Foreign Currency Exposures

Sr. No.	Particulars	Currency	Foreign Currency	Amount in ₹ (Lakhs)
1	Payables	USD	4051000.00 (4051000.00)	2802.08 (2634.94)
2	Payables	Euro	10000.00 (0.00)	7.77 (0.00)
3	Receivables	Euro	181953.50 (181953.50)	141.38 (146.69)

(Figures in brackets pertain to previous year)

(35) As on the date of financials, the Company has not received declaration from any of its vendors with regards to their registration as Micro, Small and Medium Enterprises under the MSMED Act 2006. Therefore Company has neither paid nor any interest is payable to any Micro, Small and Medium Enterprises on the Balance Sheet date.

- (36) Balances of Debtors & Creditors and advances/deposits received from dealers/customers are as per books of account. Adjustments, if any, will be made on receipt of such confirmations and due reconciliation.
- (37) In view of the difficulties faced by the Company, the Board of Directors, as a demonstration of solidarity, also decided to defer their sitting fees until the financial position of the company normalizes. Accordingly, no provision for the same has been made during the year. As and when the situation permits the company may pay the same.
- (38) There are no other significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.
- (39) Previous year's figures have been regrouped / reclassified wherever necessary to conform to current year's classification.

As per our report of even date attached

**Jayesh Dadia & Associates LLP**  
Chartered Accountants  
ICAI Firm Registration  
No.121142W/W100122

**Rahil Dadia**  
Partner (M No 143181)

**Maitreya V. Doshi**  
Chairman & Managing  
Director  
DIN No. 00060755

**Asit Javeri**  
Director  
DIN No. 00268114

For and on behalf of the Board of Directors

**Umesh Mistry**  
Company Secretary

**K. S. Nair**  
Chief Financial Officer

Place : Mumbai  
Date : 22<sup>nd</sup> June, 2019

# INDEPENDENT AUDITORS' REPORT

## To the Members of Premier Limited

### Report on the Consolidated Financial Statements Opinion

We have audited the accompanying consolidated financial statements of M/s. Premier Limited (hereinafter referred to as the "Holding Company") and its associate company, PAL Credit & Capital Limited (the company and its associate together are referred to as "the Group") which comprise the consolidated Balance Sheet as at 31st March, 2019, and the consolidated statement of Profit and Loss, the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements"). In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2019, its consolidated loss, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of these consolidated financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The Key Audit Matter	How the matter was addressed in our audit
<p>An entity shall classify a non-current asset as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to the terms that are usual &amp; customary for sales of such asset and its sale is highly probable as specified in Note No. 2(ix) to the financial statements.</p> <p>As disclosed in Note no. 3(a) to the financial statements, the Company has reclassified land at Chinchwad, Pune, Maharashtra as "Non-Current Assets Held for Sale" as the Board intends to dispose off the said asset in order to reduce the overall debt and infuse funds for operations.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>- Understanding the process followed by the management for the purpose of identifying the assets for reclassification as "Assets held for sale"</li> <li>- Reviewing the Memorandum of Understanding &amp; other correspondences with the buyer &amp; the lenders, including obtaining in principle NOCs from them to initiate the process for sale of the land.</li> <li>- Considering the adequacy of disclosures in the financial statements relating to the reclassification.</li> </ul>
The Key Audit Matter	How the matter was addressed in our audit
<p>An asset is impaired when the carrying amount of the asset exceeds its recoverable amount.</p> <p>An entity shall assess at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the entity shall estimate the recoverable amount of the asset.</p> <p>As disclosed in the footnote to note no. 3 to the financial statements, the company has made provision for impairment on the value of certain plant &amp; machinery based on the management estimate of the net realizable value of these assets</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>- Understanding the process followed by the management for the purpose of identifying the assets whose carrying value exceeded their recoverable amount.</li> <li>- Understanding the manner in which the recoverable amount of the assets was determined, including reviewing quotations received against the tenders floated by the company.</li> <li>- Considering the adequacy of disclosures in the financial statements relating to the reclassification</li> </ul>



### **Management's Responsibility for the Standalone Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the Holding company and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Holding company and of its associate are responsible for assessing the ability of the Group and to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Holding company and of its associate are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### **Other Matters**

The financial statements of the associate Company have not been audited for the year ended 31st March, 2019. We have relied on the unaudited financial statements drawn up & certified by the management up to the same reporting date as that of the Company i.e. 31st March, 2019.

The consolidated financial statements are prepared wherein the investment in associate is valued as per the Equity method in term of IndAs 28, Investment in Associates & Joint Ventures. The net worth of the associate company has been eroded and there being no carrying value of the said investment as at the year end, the Company has not recognized its share of any further losses of the associate during the year.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal & regulatory requirements below is not modified in respect of the above matter.

### **Report on Other Legal and Regulatory Requirements**

As required by Section 143(3) of the Act, we report, that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained
- d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with relevant rules issued thereunder.
- e. On the basis of the written representations received from the directors of the Holding Company and its associate company which are incorporated in India, as on 31st March, 2019 and taken on record by the Board of Directors of respective companies, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"

- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group Refer Note 5 to the consolidated Ind AS financial statements.
  - (ii) The Company & its associate company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Company and its associate company incorporated in India during the year ended 31st March 2019.

**For Jayesh Dadia & Associates LLP**

Chartered Accountants

Firm's Registration No. 121142W / W100122

**Rahil Dadia**

Partner

Membership No. 143181

Place of Signature: Mumbai

Date: 22<sup>nd</sup> June, 2019

## **Annexure - A to the Independent Auditor's Report**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") referred to in paragraph 2 (f) on Report on Other Legal and Regulatory Requirements of our report.

We have audited the internal financial controls over financial reporting of Premier Limited ("the Company") and its associate company as of 31st March 2019 in conjunction with our audit of the consolidated Ind As financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Company and its associate company which is a company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion the Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **For Jayesh Dadia & Associates LLP**

Chartered Accountants  
Firm's Registration No. 121142W / W100122

### **Rahil Dadia**

Partner  
Membership No. 143181

Place of Signature: Mumbai  
Date: 22<sup>nd</sup> June, 2019

# Consolidated Financial Statements

## Consolidated Balance Sheet

(₹ Lakh)

	As at 31.03.2019	As at 31.03.2018
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, Plant and Equipment	16653.84	34,965.66
Capital work-in-progress	247.38	114.06
Investment Property	8597.22	8,597.22
Intangible Assets	17.37	57.33
<b>Financial assets</b>		
Investments	0.25	0.25
Loans and advances	4526.56	4,302.92
Deferred tax assets (net)	4585.15	4,585.15
<b>Current Assets</b>		
Inventories	4896.04	8,440.35
<b>Financial assets</b>		
Trade receivables	3456.30	6,559.94
Cash and cash equivalents	441.33	581.69
Loans and advances	2143.71	1,814.50
Other current assets	18779.52	6,425.49
<b>Total Assets</b>	<b>64344.67</b>	<b>76,444.56</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Share Capital	3039.95	3,039.95
Other equity	(4025.31)	15,392.53
<b>LIABILITIES</b>		
<b>Non-Current Liabilities</b>		
<b>Financial Liabilities</b>		
Borrowings	4690.03	9,154.71
Long term provisions	490.40	526.03
<b>Current Liabilities</b>		
<b>Financial Liabilities</b>		
Borrowings	10302.65	10,125.36
Trade payables		
Dues of micro and small enterprises	-	-
Dues of creditors other than micro and small enterprises	2135.94	2137.03
Other current liabilities	47639.40	35705.01
Provisions	71.61	363.94
<b>Total Equity and Liabilities</b>	<b>64344.67</b>	<b>76,444.56</b>

The accompanying notes form an integral part of the consolidated financial statements (Note No.1 to 6)

As per our report of even date attached

For and on behalf of the Board of Directors

**Jayesh Dadia & Associates LLP**  
Chartered Accountants  
ICAI Firm Registration  
No.121142W/W100122

**Maitreya V. Doshi**  
Chairman & Managing  
Director  
DIN No. 00060755

**Umesh Mistry**  
Company Secretary

**K. S. Nair**  
Chief Financial Officer

**Rahil Dadia**  
Partner (M No 143181)

**Asit Javeri**  
Director  
DIN No. 00268114

Place : Mumbai  
Date : 22<sup>nd</sup> June, 2019

**Consolidated Statement of Profit and Loss**

(₹ Lakh)

	For the year ended 31.03.2019	For the year ended 31.03.2018
<b>INCOME:</b>		
Revenue from Operations	1650.20	2,006.54
Other Income	1574.71	1,213.63
<b>Total Income</b>	<b>3224.91</b>	<b>3,220.17</b>
<b>EXPENSES:</b>		
Cost of Materials consumed	807.89	2,655.99
Changes in inventories of Finished Goods and Work in Progress	266.88	(1,865.65)
Inventory Obsolescence	2993.25	-
Employee Benefits Expense	2362.28	2,775.52
Finance Costs	6489.79	6,596.90
Depreciation and amortization expense	2924.27	2,818.94
Other Expenses	4010.11	3,151.23
<b>Total Expenses</b>	<b>19854.47</b>	<b>16,132.93</b>
<b>Profit/(Loss) before exceptional items and tax</b>	<b>(16629.56)</b>	<b>(12,912.76)</b>
Exceptional Items	(2930.42)	466.91
<b>Profit/(Loss) before tax</b>	<b>(19559.98)</b>	<b>(12,445.85)</b>
Tax Expense:		
Current Tax	-	(46.61)
Deferred Tax	-	-
(Excess) / Short Provision made earlier years written (back)/off	99.92	-
<b>Profit/ (loss) for the period</b>	<b>(19659.90)</b>	<b>(12,399.24)</b>
<b>Other comprehensive income</b>		
- Items that will not be reclassified to profit or loss	242.06	150.84
- Income tax relating to items that will not be reclassified to profit or loss	-	(46.61)
<b>Total comprehensive income for the period</b>	<b>(19417.84)</b>	<b>(12295.01)</b>
<b>Earnings per equity share</b>		
a) Basic	<b>(64.73)</b>	<b>(40.82)</b>
b) Diluted	<b>(64.73)</b>	<b>(40.82)</b>

The accompanying notes forms an integral part of the consolidated financial statements (Note no. 1 to 6)

As per our report of even date attached

**Jayesh Dadia &  
Associates LLP**  
Chartered Accountants  
ICAI Firm Registration  
No.121142W/W100122

**Rahil Dadia**  
Partner (M No 143181)

**Maitreya V. Doshi**  
Chairman & Managing  
Director  
DIN No. 00060755

**Asit Javeri**  
Director  
DIN No. 00268114

For and on behalf of the Board of Directors

**Umesh Mistry**  
Company Secretary

**K. S. Nair**  
Chief Financial Officer

Place : Mumbai  
Date : 22<sup>nd</sup> June, 2019

**Consolidated Cash Flow Statement**

(₹ Lakh)

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before tax	(19559.98)	(12445.85)
Adjustments for :		
Remeasurment of Net defined benefit plan	242.06	150.84
Provision for doubtful advances	-	1685.95
Interest expense written back	(1381.49)	-
Interest Income	(21.55)	(62.53)
Impairment of fixed assets	2930.42	-
Depreciation	2924.27	2818.94
Interest and Financial Charges	6184.42	6329.89
Remeasurment of financial liability	305.37	267.01
<b>Operating profit before Working capital changes (a)</b>	<b>(8376.48)</b>	<b>(1255.75)</b>
Adjustments for:		
Trade & Other Receivables	2582.92	12398.52
Inventories	3544.31	(860.09)
Trade Payable & Provisions	(564.01)	(3938.28)
<b>Change in working capital (b)</b>	<b>5563.22</b>	<b>7600.15</b>
<b>Cash generated from Operations (a+b)</b>	<b>(2813.26)</b>	<b>6344.40</b>
Direct Taxes Net Received / (Paid)	(48.76)	(828.78)
<b>Net Cash Flow from Operating activities (A)</b>	<b>(2764.50)</b>	<b>5515.62</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from Land	3531.31	2160.29
Purchase of Fixed Assets	(2.90)	(24.28)
Decrease/ (Increase) in Capital Work in Process	(133.32)	(17.11)
Interest & Dividend Received	21.92	63.46
<b>Net Cash flow from Investing activities (B)</b>	<b>3417.01</b>	<b>2182.36</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Inter-Corporate Deposits availed	200.00	-
Inter-Corporate Deposits repaid	(50.00)	(1222.00)
Repayment of long term borrowings	(625.00)	(606.31)
Repayment of Short term borrowings	(439.18)	(3549.11)
Proceeds of Short term borrowings	500.00	500.00
Repayment of Public Fixed Deposits	-	(1812.08)
Cash Credit from Banks	(33.53)	(47.88)
Fixed Deposits with Banks	87.34	267.96
Dividend paid during the year	(35.21)	(36.11)
Interest paid	(290.80)	(1146.53)
<b>Net Cash flow from Financing activities (C)</b>	<b>(686.38)</b>	<b>(7652.06)</b>
<b>Net increase in Cash and cash equivalents (A+B+C)</b>	<b>(33.87)</b>	<b>45.92</b>
<b>Op. Bal. Cash &amp; cash equivalents</b>	<b>74.66</b>	<b>28.74</b>
<b>Cl. Bal. Cash &amp; cash equivalents</b>	<b>40.79</b>	<b>74.66</b>

The accompanying notes forms an integral part of the consolidated financial statements (Note no. 1 to 6)

As per our report of even date attached

For and on behalf of the Board of Directors

**Jayesh Dadia & Associates LLP**  
 Chartered Accountants  
 ICAI Firm Registration  
 No.121142W/W100122

**Maitreya V. Doshi**  
 Chairman & Managing  
 Director  
 DIN No. 00060755

**Umesh Mistry**  
 Company Secretary

**K. S. Nair**  
 Chief Financial Officer

**Rahil Dadia**  
 Partner (M No 143181)

**Asit Javeri**  
 Director  
 DIN No. 00268114

Place : Mumbai  
 Date : 22<sup>nd</sup> June, 2019

## Consolidated Statement of Changes in Equity

(All amounts in Lakhs of Indian Rupees unless otherwise stated)

### A. Equity Share Capital (₹ Lakh)

Particulars	No.	Amount
<b>Equity shares of ₹ 10/- each issued, subscribed and fully paid</b>		
<b>Balance at 1st April, 2017</b>	<b>30372570</b>	<b>3037.26</b>
Equity shares Forfeited of ₹ 10/- each	81610	2.69
Changes in equity share capital during the year		-
<b>Balance at 31st March, 2018</b>		<b>3039.95</b>
<b>Equity shares of ₹ 10/- each issued, subscribed and fully paid</b>		
<b>Balance at 1st April, 2018</b>	<b>30372570</b>	<b>3037.26</b>
Equity shares Forfeited of ₹ 10/- each	81610	2.69
Changes in equity share capital during the year		-
<b>Balance at 31st March, 2019</b>		<b>3039.95</b>

### B. Other Equity - Attributable to owner (₹ Lakh)

Particulars	Reserves and Surplus				Other Comprehensive Income		Total
	Capital Reserve	Security Premium	General Reserve	Retained Earnings	Revaluation Reserve	Other items	
Balance at 1st April, 2017	0.84	3,188.88	12,385.64	(7,533.54)	19,503.15	142.57	<b>27,687.54</b>
Profit for the year	-	-	-	(12,399.24)	-	-	<b>(12,399.24)</b>
Other Comprehensive Income (Net of Tax)	-	-	-	-	-	104.23	<b>104.23</b>
<b>Total Comprehensive Income for the year</b>	-	-	-	<b>(12,399.24)</b>	-	<b>104.23</b>	<b>(12,295.01)</b>
<b>Balance at 31st March, 2018</b>	<b>0.84</b>	<b>3,188.88</b>	<b>12,385.64</b>	<b>(19,932.78)</b>	<b>19,503.15</b>	<b>246.80</b>	<b>15,392.53</b>

Particulars	Reserves and Surplus				Other Comprehensive Income		Total
	Capital Reserve	Security Premium	General Reserve	Retained Earnings	Revaluation Reserve	Other items	
Balance at 1st April, 2018	0.84	3,188.88	12,385.64	(19,932.78)	19,503.15	<b>246.80</b>	<b>15,392.53</b>
Profit for the year	-	-	-	(19,659.90)	-	-	<b>(19,659.90)</b>
Other Comprehensive Income (Net of Tax)	-	-	-	-	-	242.06	<b>242.06</b>
<b>Total Comprehensive Income for the year</b>	-	-	-	<b>(19,659.90)</b>	-	<b>242.06</b>	<b>(19,417.84)</b>
<b>Balance at 31st March, 2019</b>	<b>0.84</b>	<b>3,188.88</b>	<b>12,385.64</b>	<b>(39,592.69)</b>	<b>19,503.15</b>	<b>488.86</b>	<b>(4,025.31)</b>

As per our report of even date attached

For and on behalf of the Board of Directors

**Jayesh Dadia & Associates LLP**  
Chartered Accountants  
ICAI Firm Registration  
No.121142W/W100122

**Maitreya V. Doshi**  
Chairman & Managing  
Director  
DIN No. 00060755

**Umesh Mistry**  
Company Secretary

**K. S. Nair**  
Chief Financial Officer

**Rahil Dadia**  
Partner (M No 143181)

**Asit Javeri**  
Director  
DIN No. 00268114

Place : Mumbai  
Date : 22<sup>nd</sup> June, 2019

## Notes to Consolidated financial statements for the year ended 31<sup>st</sup> March, 2019

(All amounts in Lakhs of Indian Rupees unless otherwise stated)

### Corporate Information

Premier Ltd. is a BSE and NSE listed public company, incorporated under the Companies Act, 1913. It operates in only one business segment i.e Engineering. The Engineering segment consists of Manufacture of CNC Machines and large mechanical components for the wind energy and infrastructure sectors and professional and engineering services related thereto.

The registered office and plant of the company is located at Chinchwad, Pune while the Corporate office is located at Mumbai.

### (I) Significant Accounting Policies

#### (1) Basis of Preparation of Consolidated Financial Statements

The Consolidated Financial Statements have been prepared based on the Standalone financial statement of the Company and the separate Financial Statements of its associate namely Pal Credit & Capital Ltd. wherein the Company holds 27.31% Equity. The Financial Statements of the associate are unaudited and drawn up and certified by the management to the same reporting date as that of the Company i.e. 31st March, 2019.

#### (2) Principles of Consolidation

The investment in the aforesaid associate and share of loss has been consolidated as per Equity Method in terms of Ind AS -28 – “Investments in Associates in Consolidated Financial Statement” specified under section 133 of Companies Act, 2013 read with Companies (Accounts) Rules, 2015.

#### (3) Accounting Policies

The Accounting policies of the company and that of its associates are similar and as per generally accounting principles accepted in India.

#### (4) Valuation of Investments in associate

The consolidated financial statements are prepared wherein the investment in the associate is valued as per the Equity method in terms of Ind AS 28 i.e. ‘Investments in Associates in Consolidated Financial Statements’. The net worth of the Associate Company has already been eroded and there being no carrying value of the said investment as at the year end, the Company has not recognised its share of any further losses from the associate during the year.

In view of the above, all other notes forming part of the consolidated financial statements are same as that of the notes forming part of the Standalone financial statement of the Company, therefore the same are not reproduced in the consolidated financial statements.

#### (5) Contingent Liability Not Provided For

- a) Disputed indeterminate claims made by the employees regarding reinstatement, wages for the period of suspension etc. relating to the past years pending before Industrial Tribunals/High Court.
- b) Liabilities disputed in appeals
  - Service Tax : Rs 73.93 Lakhs
  - Excise : Rs 10.00 Lakhs
  - Sales Tax : Rs 4186 Lakhs out of which Rs 166 lakhs paid under protest.
  - FEMA : Rs 65.49 Lakhs
- c) The Company has paid an amount of ₹ 3828.75 Lakhs (Previous year ₹ 3825.21 Lakhs) to the Government of Maharashtra "under protest" towards "Unearned Income" on sale of land and compulsory acquisition of land. The Company's appeal in this regard is pending before the Government of Maharashtra. This forms part of "Loans & Advances" and is considered as a contingent liability
- d) Additional compensation, if any, in relation to certain demands in Consumer Forum cases, amount unascertained but considered to be insignificant.
- e) Claims against company not acknowledged as debt amounting to ₹ 93.45 Lakhs (Previous year ₹ 93.45 Lakhs)
- f) Guarantees issued by bank amounting to Rs.119.01 Lakhs (Previous year Rs.286.25 Lakhs).



**(6) Additional Information regarding Associate:**

Name of the entity in the	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
1	2	3	4	5
Associates (Investment as per the equity method): <b>Pal Credit and Capital Limited</b> (Refer note no. 4)	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

As per our report of even date attached

**Jayesh Dadia & Associates LLP**  
Chartered Accountants  
ICAI Firm Registration  
No.121142W/W100122

**Rahil Dadia**  
Partner (M No 143181)

**Maitreya V. Doshi**  
Chairman & Managing  
Director  
DIN No. 00060755

**Asit Javeri**  
Director  
DIN No. 00268114

For and on behalf of the Board of Directors

**Umesh Mistry**  
Company Secretary

**K. S. Nair**  
Chief Financial Officer

Place : Mumbai  
Date : 22<sup>nd</sup> June, 2019





Corporate Office: 58, Nariman Bhavan, Nariman Point, Mumbai 400021, India. Tel: +91-22-61179000/1/2, Fax: +91-22-61179003

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Registered Office & Works: Mumbai-Pune Road, Chinchwad, Pune 411019, India. Tel: +91-20-66310000 / 27475161, Fax: +91-20-66310371



Corporate Identification Number (CIN) : L34103PN1944PLC020842  
Corporate Office : 58, Nariman Bhavan, Nariman Point, Mumbai – 400021  
Tel.: 022-61179000/61179001, Fax-020-61179003  
Registered Office : Mumbai-Pune Road, Chinchwad, Pune – 411019  
Tel.: 022 –66310000, Fax : 020-66310371  
Email : investors@premier.co.in

Annual Report &  
Accounts for the year  
2018-19 are being  
posted separately  
by post as per  
Companies Act, 2013

## NOTICE

NOTICE is hereby given that the 73<sup>rd</sup> ANNUAL GENERAL MEETING of the members of the Company will be held on Monday, 9<sup>th</sup> September, 2019 at 10.30 a.m. at Hotel Kalasagar, P-4, Kasarwadi, MIDC, Mumbai-Pune Road, Pimpri, Pune - 411 034, to transact the following business:

### Ordinary Business:

1. To receive, consider and adopt the Directors' Report, the Audited Financial Statements including the Statement of Profit and Loss for the year ended March 31, 2019 and the Balance Sheet as at that date and the Auditors' Report thereon.
2. To appoint a Director in place of Mrs. Rohita M. Doshi (holding DIN 00246388) who retires by rotation in terms of section 152(6) of the Companies Act, 2013, and being eligible, offers herself for reappointment.

### Special Business:

3. To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed thereunder and Regulations 16, 17, 17(1A) and other applicable provisions, if any, of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, (including any statutory modification(s) or re-enactments thereof, for the time being in force) and on the recommendation of the Nomination and Remuneration Committee and the Board, Mr. S. Padmanabhan (holding DIN 00001207), be and is hereby re-appointed as a Non-executive Independent Director on the Board of the Company, not liable to retire by rotation, to hold office for a second term of five (5) consecutive years with effect from 9th September, 2019.”

**“RESOLVED FURTHER THAT** that the Board, be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed thereunder and Regulations 16, 17, 17(1A) and other applicable provisions, if any, of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, (including any statutory modification(s) or

re-enactments thereof, for the time being in force) and on the recommendation of the Nomination and Remuneration Committee and the Board, Mr. Dilip J. Thakkar (holding DIN 00007339), be and is hereby re-appointed as a Non-executive Independent Director on the Board of the Company, not liable to retire by rotation, to hold office for a second term of five (5) consecutive years with effect from 9th September, 2019.”

**“RESOLVE FURTHER** that the Board, be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed thereunder and Regulations 16, 17, 17(1A) and other applicable provisions, if any, of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, (including any statutory modification(s) or re-enactments thereof, for the time being in force) and on the recommendation of the Nomination and Remuneration Committee and the Board, Dr. Udo Weigel (holding DIN 02142276), be and is hereby re-appointed as a Non-executive Independent Director on the Board of the Company, not liable to retire by rotation, to hold office for a second term of five (5) consecutive years with effect from 9th September, 2019.

**“RESOLVED FURTHER THAT** that the Board, be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed thereunder and Regulations 16, 17, and other applicable provisions, if any, of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, (including any statutory modification(s) or re-enactments thereof, for the time being in force) and on the recommendation of the Nomination and Remuneration Committee and the Board, Mr. Asit Javeri (holding DIN 00268114), be and is hereby re-appointed as a Non-executive Independent Director on the Board of the Company, not liable to retire by rotation, to hold office for a second term of five (5) consecutive years with effect from 12th September, 2019.

“**RESOLVE FURTHER** that the Board, be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Rules framed thereunder and Regulations 16, 17, and other applicable provisions, if any, of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, (including any statutory modification(s) or re-enactments thereof, for the time being in force) and on the recommendation of the Nomination and Remuneration Committee and the Board, Mr. Ramesh Adige (holding DIN 00101276), be and is hereby re-appointed as a Non-executive Independent Director on the Board of the Company, not liable to retire by rotation, to hold office for a second term of five (5) consecutive years with effect from 12th September, 2019.

“**RESOLVED FURTHER** that the Board, be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:

“**RESOLVED THAT** pursuant to Section 12 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, the Registered office of the Company be shifted from present location at Mumbai-Pune Road, Chinchwad, Pune-411 019 to a new location at Gat/Guth No.169 at Village Sawardari, Taluka Khed, District Pune and within the limits of Gram Panchayat of Village Sawardari, where the new plant of the Company is located.

“**RESOLVED FURTHER** that the Board be and is hereby authorized to do all such acts and take such all steps as may be necessary, proper or expedient to give effect to this Resolution.”

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, the Board of Directors of the Company, subject to such approvals as may be required, be and is hereby authorized to execute a Corporate Guarantee for an amount of Rs.16,13,00,000/- (Rs.Sixteen Crore and Thirteen Lakh Only) in favour of Global Icon Projects LLP, having its registered office at Yerwada, Pune – 411 006, to secure the Lease Rent for a lock-in period of lease for five (5) years for the new plant taken on lease by the Company from Global Icon Projects LLP, notwithstanding that the Corporate Guarantee amount may exceed the limits specified in Section 186(2) and other applicable provisions, if any, of the Companies Act, 2013

“**RESOLVED FURTHER** that the Board, be and is hereby authorized to do all such acts and take such all steps as may be necessary, proper or expedient to give effect to this Resolution.”

10. To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 or such other Rules as may be prescribed (including any statutory modifications made thereunder), from time to time, the Company do hereby ratify the remuneration of Rs.1,65,000/- plus applicable taxes and out-of-pocket expenses payable to M/s ABK & Associates, Cost Accountants (Membership No.000036), who are appointed as Cost Auditors by the Board of Directors of the Company, based on the recommendation of the Audit Committee, to conduct the audit of the cost records of the Company for the year ending 31st March, 2020.”

By Order of the Board,

**Registered Office:**

Mumbai-Pune Road  
Chinchwad  
Pune – 411 019

Place: Mumbai

Date: 22<sup>nd</sup> June, 2019

**Maitreya Doshi**

Chairman and Managing  
Director

**Notes:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

A person can act as proxy on behalf of members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights, provided that a member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. A proxy form is sent herewith. Proxies submitted on behalf of the companies, societies, etc. must be supported by an appropriate Resolution/authority, as applicable.

The instrument appointing a proxy and the power of attorney, if any, under which it is signed, should be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Annual General Meeting.

2. The Register of Members and Share Transfer Books will remain closed from 2nd September, 2019 to 9th September, 2019 (both days inclusive).
3. i) Members/Proxies are requested to bring their copies of Annual Report with them for the Annual General Meeting and the attendance slip duly filled in for attending the Meeting.
- ii) Members holding shares in physical form, may write to the Company’s Registrar and Transfer Agents for any change in their address and bank mandates and members having shares in electronic form may inform the same to their depository participants immediately.
- iii) Members are requested to send all communications relating to shares to the Company’s Registrar and Transfer Agents Link Intime India Pvt. Ltd, C-101, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai – 400 083.

- iv) Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Pursuant to the provisions of Sections 124 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company was required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government, dividends for the financial year ended 31st March, 2012 and thereafter, which remain unpaid or unclaimed for a period of 7 years from the respective dates of transfer to the unpaid dividend account of the Company are due for transfer to the Investor Education & Protection Fund (IEPF) on the dates given in the table below:

Financial Year	Date of Declaration of Dividend	Last date for claiming unpaid dividend	Due date for transfer to IEPF
2011-2012	24.8.2012	23.8.2019	23.09.2019
2012-2013	14.6.2013	13.6.2020	13.7.2020
2013-2014	12.9.2014	11.9.2021	11.10.2021

Members who have so far not encashed the Dividend Warrants for the above years are advised to submit their claim to the Company's R&TA at the aforesaid addresses immediately quoting their folio number/ DP ID & Client ID.

5. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit their PAN details to their respective Depository Participants with whom they have their demat account(s). Members holding shares in physical form can submit their PAN details to the RTA of the Company - M/s Link Intime India Private Limited
6. The Notice of the 73rd Annual General Meeting and instructions for remote e-voting, along with the Attendance Slip and Proxy Form, are being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participants unless a member has requested for hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by courier.
7. Route Map of the Venue of the proposed AGM of the Company is annexed to this Notice.
8. The Ministry of Corporate Affairs has undertaken a "Green Initiative in Corporate Governance" by allowing paperless compliances by the Company and has issued circulars allowing service of notices / documents including annual report by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses so far, are requested to register the same in respect of electronic holdings with the depository through their depository participants. Members who are holding shares in physical form are requested to get their e-mail addresses registered with the Registrar and Share Transfer Agent.
9. Members holding shares in physical form may avail themselves of the facility of nomination in terms of Section 72 of the Companies Act, 2013 by nominating in the prescribed form a person to whom their shares in the Company shall vest in the event of their death. The prescribed form can be obtained from the Company's

Corporate Office at 58, Nariman Bhavan, Nariman Point, Mumbai – 400 021 or from its R & T A at either of the aforesaid addresses.

10. The shareholding of Non-Executive Independent Directors are as under:

Mr. S. Padmanabhan – Nil shares, Mr. Asit Javeri – 14,300 shares, Dr. Udo Weigel – Nil shares, Mr. Dilip J. Thakkar – 740 shares, and Ramesh Adige – Nil shares.

11. Mrs. Rohita M. Doshi, retires by rotation at the ensuing annual general meeting and being eligible, offers herself for re-appointment.

The brief resume of Mrs. Rohita M. Doshi is given below

Mrs. Rohita M. Doshi, an Indian National, aged 60, is a Non-executive Promoter Director and is the wife of Mr. Maitreya Doshi, Chariman & Managing Director of the Company. She is holding 200 equity shares of the Company. She was appointed as the Director on 27th March, 2008. She has a BS and MS with High honors in Computer Engineering. She was winner of the Jennings Award for Excellence in Computer Engineering.

Mrs. Doshi started her career as a Research and Development Engineer at Hewlett Packard, Cupertino, CA, USA. She has designed and implemented a state of the art Compiler for RICE architecture machines and other HP Computer. She also worked as a Systems Analyst / Research Associate for SOHIO (Standard Oil of Ohio), Cleveland, USA.

Mrs. Doshi is a Director of Art Point Pvt. Ltd., Doshi Holdings Pvt. Ltd., and DHPL Marine Pvt.Ltd.

12. A copy of this Notice has been placed on the website of the Company and website of CDSL. The Annual report for 2018-19 has been placed on the Company's website [www.premier.co.in](http://www.premier.co.in)
13. In terms of requirement of the Companies Act, 2013 and the relevant Rules, the Company has fixed on 2nd September, 2019 as the 'CUT-OFF' Date. The remote e-voting/ voting rights of the shareholders/ beneficial owners shall be reckoned on the equity shares held by them as on 'Cut-Off date, i.e. 2nd September, 2019
14. **Voting through electronic means**

- i. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer remote e-voting facility as an alternative mode of voting which will enable the Members to cast their votes by electronic means on the resolutions mentioned in the notice of 73rd Annual General Meeting of the Company.

**The instructions for Shareholders for voting electronically are as under:-**

**In case of Shareholders receiving e-mail:**

- (i) The voting period begins on 5th September, 2019 (9.00 a.m.) and ends on 7th September, 2019 (5.00 p.m.) During this period, shareholders' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of 2nd September, 2019, may cast their vote by electronic means. The e-voting module will be disabled by CDSL for voting thereafter.

- (ii) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records for in order to login. <ul style="list-style-type: none"> <li>• If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach "Password Creation" menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for remote e-voting through CDSL platform. **It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.**
- (x) For Members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant "**PREMIER LTD.**" on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent

to the Resolution and option NO implies that you dissent to the Resolution.

- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
  - (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
  - (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
  - (xvii) If Demat account holder has forgotten the changed password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - (xviii) Shareholders can also cast their vote using Mobile app - "CDSL m-Voting" for e-voting. CDSL m-Voting can be downloaded from Google Play Store, Apple and Windows based mobiles. Members may log into CDSL m-Voting using their e-voting credentials to vote for the Company Resolution(s).
  - (xix) Note for Non-Individual Shareholders and Custodian (i.e. other than Individuals, HUF, NRI etc.)
    - They are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
    - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
    - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
    - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
    - They should upload a scanned copy of the Board Resolution and a Power of Attorney (POA), which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
  - (xx) In case of members receiving the physical copy of Annual Report, please follow all steps from Serial No. (i) to (xix) above to cast vote.
  - (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- II. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut off date of 2nd September, 2019.
- III. A copy of this notice has been placed on the website of the Company and website of CDSL.
- IV. Mr. N.L. Bhatia, Practicing Company Secretary (Membership Number 1176 and Certificate of

Practice Number 422) has been appointed by the Board of the Directors of the Company as the Scrutinizer for conducting the remote e-voting process as well as voting at the Annual General Meeting in a fair and transparent manner.

- V. The Scrutinizer shall after the conclusion of the voting at the Annual General Meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days

of the conclusion of the Annual General Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.

- VI. The Results declared along-with the Scrutinizer's Report shall be placed on the Notice Board of the Registered Office and at Corporate Office and at Company's website [www.premier.co.in](http://www.premier.co.in) and on the website of CDSL immediately and communicate to the BSE Ltd. and National Stock Exchange of India Ltd.

## ANNEXURE TO NOTICE

Explanatory Statement as required by Section 102 of the Companies Act, 2013.

### In respect of Item Nos. 3, 4, 5, 6 and 7

Mr. S.Padmanabhan (DIN - 00001207), Mr.Dilip J.Thakkar (DIN - 00007339), Dr. Udo Weigel (DIN - 02142276), Mr.Asit Javeri (DIN - 00268114), and Mr.Ramesh Adige (DIN - 00101276) were appointed as Independent Directors on the Board of the Company on 12th September, 2014 for a term of 5 (five) consecutive years from the date of appointment.

In accordance with the provisions of Section 149, Section 152 read with Schedule IV of the Companies Act, 2013 and the Rules framed thereunder and Regulations 16 of the Listing Regulations, an Independent Director can hold office for a term of up to 5 (five) consecutive years on the Board of a company and can be re-appointed for one more terms of 5(five) consecutive years with the approval of Shareholders by way of a special resolution.

The current term of Mr.S.Padmanabhan, Mr.Dilip J.Thakkar and Dr. Udo Weigel expired on 31st March, 2019 after they attained/crossed age of 75 years in view of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The term of other two directors: Mr. Asit Javeri and Mr. Ramesh Adige expire on 11th September, 2019. The re-appointment of these five independent directors for a second term of 5 years would require approval of Shareholders by way of a special resolution in accordance with sub-section (10) of Section 149 of the Companies Act, 2013.

Brief resume and nature of expertise of the aforesaid Non-executive Independent Directors are given below:

**Mr. S. Padmanabhan**, aged 79 is a M.Sc. (Physics) from Delhi University and Bachelor of General Law from Mumbai University. He has a diploma in Development Economics from University of Cambridge, U.K. and a Diploma in Management Accounting from Bajaj Institute of Management, Mumbai. Mr. Padmanabhan was an I.A.S. Officer during which tenure he held various positions in the Government of Maharashtra, including Director - Tourism, Managing Director - SICOM, Commissioner, Aurangabad Division etc.

Mr. Padmanabhan has worked as Corporate Advisor to Bharat Forge Limited and later Deepak Fertilizers and Walchandnagar Industries Limited. He has wide experience in industrial projects, finance and administration. Mr. Padmanabhan is a Director on the Boards of Sudarshan Chemicals Industries Ltd., Desai Brothers Ltd., Force Motors Ltd., Sanghvi Movers Ltd., Aquapharm Chemicals Pvt. Ltd. and Pune Smart City

Development Corporation Ltd.

In the opinion of the Board, Mr. S. Padmanabhan fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder for his re-appointment as an Independent Director of the Company and is Independent of the management of the Company. Having regard to his qualifications, knowledge and experience, his re-appointment as an Independent Director will be in the interest of the Company in terms of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

None of the Directors, key managerial personnel and/or their relatives, except Mr. S. Padmanabhan, is concerned or interested in the Resolution.

**Mr. Dilip J. Thakkar**, aged 82, is a fellow member of the Institute of Chartered Accountants of India. He is a Partner of M/s Jayantilal Thakkar & Co., Chartered Accountants & M/s Jayantilal Thakkar Associates, Chartered Accountants, Mumbai. He received his B.Com. and L.L.B. degrees from Bombay University in 1957 and 1959, respectively. Mr. Dilip J. Thakkar is an eminent Chartered Accountant and has over fifty years of experience in Finance and Corporate matters. He specializes in the Foreign Exchange Management Act, and has advised overseas corporations and large Indian Companies on Investments, taxation and collaboration. He is a trustee of the HSBC Mutual Fund.

**Mr. Dilip J.Thakkar** is a Director on the Board of many Listed and Unlisted Public and Private Companies namely Poddar Housing and Developers Ltd., Walchandnagar Industries Ltd., Indo Count Industries Ltd.,Essar Ports Ltd., Rajasvi Properties Holdings Pvt. Ltd., Starrock Investments & Trading Pvt. Ltd.,Hamlet Constructions (India) Private Ltd., Windmere Hospitality (India) Pvt. Ltd., Skidata (India) Pvt. Ltd., Universal Trustees Pvt. Ltd. and AGC Networks Ltd.

In the opinion of the Board, Mr. Dilip Thakkar fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder for his re-appointment as an Independent Director of the Company and is Independent of the management of the Company. Having regard to his qualifications, knowledge and experience, his appointment as an Independent Director will be in the interest of the Company in terms of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors, key managerial personnel and/or their relatives, except Mr. Dilip Thakkar, is concerned or interested in the Resolution.



**Dr. Udo Weigel**, aged 77, is a German national. He is a Graduate in Mechanical Engineering/Manufacturing, Technology and holds a Doctorate Degree in Research on gear hobbing from RWTH Aachen University, Germany. Dr. Weigel has over 4 decades of experience in the machine tool industry, having worked with Pfauter, a leading gear hobbing machine manufacturer in Europe, for more than 26 years in various capacities including Managing Director of Engrenasa Sorocaba Brazil and Pfauter Italia SPA. He is a Director of ADD Engineering, Germany and owner of Alpha Beta Engineers, Germany.

His professional experience includes guiding collaborators in different countries; process planning on component, group and complete product level; development of complex products; material flow analysis, automation concepts; public funded research projects (European Community); marketing concepts, sales strategies, customer contacts, development road mapping; consulting; evaluation and purchase of production means and facilities; technical due diligences; business plans, etc.

In the opinion of the Board, Dr. Udo Weigel fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder for his re-appointment as an Independent Director of the Company and is Independent of the management of the Company. Having regard to his qualifications, knowledge and experience, his appointment as an Independent Director will be in the interest of the Company in terms of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors, key managerial personnel and/or their relatives, except Dr. Udo Weigel, is concerned or interested in the Resolution.

**Mr. Asit Javeri**, aged 62, holds a Bachelors Degree in Science from Mumbai University. He is an industrialist with over 34 years of experience in chemical industry. Currently, he is the Executive Chairman of Sadhana Nitrochem Ltd and has been actively involved in the major expansion and diversification projects of the Company.

Mr. Asit Javeri, is a Director of Sadhana Nitro Chem Ltd., Indian Extractions Ltd., Phthaldo Colours & Chemicals (I) Ltd., Lifestyle Networks Ltd., Manekchand Panachand Trading Investment Co. Pvt. Ltd., Anuchem B.V.B.A. Belgium, Strix Wireless Systems Pvt. Ltd., Chandra Net Pvt. Ltd., Singapore, Strix System Inc, USA and AHANA Inc, USA.

In the opinion of the Board, Mr. Asit Javeri fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder for his re-appointment as an Independent Director of the Company and is Independent of the management of the Company. Having regard to his qualifications, knowledge and experience, his appointment as an Independent Director will be in the interest of the Company.

None of the Directors, key managerial personnel and/or their relatives, except Mr. Asit Javeri, is concerned or interested in the Resolution.

**Mr. Ramesh Adige**, aged 68, is a Master in Business Administration with specialization in Marketing from the renowned Faculty of Management Studies, University of Delhi and holds a B.E. (Honours) degree from the prestigious Birla Institute of Technology and Science (BITS), Pilani. Mr. Adige was President of Ranbaxy Laboratories Ltd.

He has 44 years of extensive and wide-ranging experience in the areas of Corporate Policy, Public Affairs & Public Policy, Strategic and Perspective Planning, External Relations and the broader spectrum of Business Activities including Joint Ventures, Technical & Financial collaborations. He is an active participant in the Confederation of Indian Industry (CII) and the

Federation of Indian Chambers of Commerce & Industry (FICCI) and headed CII's Task Force on IP Policy. He was Chairman of Health Committee of PHD Chamber of Commerce and Industry for 2 years.

Before joining Ranbaxy, in 2004, Mr. Ramesh Adige, was Executive Director in Fiat India. He has considerable exposure to both direct & indirect marketing in the consumer durable and automobile industries. He has also served as President of the Governing Council of the Automotive Research Association of India, a premier institution for testing, homologation, validation and certification for all automobiles in India, having more than 500 Research scientists and engineers in its fold. Recognizing his contribution to the Auto Industry, the Ministry of Heavy Industries and Public Enterprises, had inducted him as Member of the Development Council for Automobiles and Allied Industries. Ramesh was an active participant in SIAM activities.

Mr. Ramesh Adige is a Director on the Board of Fortis Malar Hospitals Ltd. and Star Union Dai-ichi Life Insurance Co.Ltd. He is also a Member of the Governing Council of T. A. Pai Management Institute, Manipal. He is a Co-opted Member of the Biodiversity Foundation of NCT of Delhi. He is the proprietor of Ra Consulting.

In the opinion of the Board, Mr. Ramesh Adige fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder for his re-appointment as an Independent Director of the Company and is Independent of the management of the Company. Having regard to his qualifications, knowledge and experience, his appointment as an Independent Director will be in the interest of the Company.

None of the Directors, key managerial personnel and/or their relatives, except Mr. Ramesh Adige, is concerned or interested in the Resolution.

The Nomination and Remuneration Committee and the Board at its respective meetings held on 22nd June, 2019, noted that the above Non-executive Independent Directors are renowned professionals drawn from diverse fields, who bring with them a wide range of skills and experience to the Board, which helps immensely the Board's functioning and its decision making process. The Company has immensely benefited from their vast experience and knowledge. The Board, therefore, is of the unanimous view that it will be the best in the interest of the Company to re-appoint them as Non-executive Independent Directors for a second term of five consecutive years.

Taking into consideration the outcome of the performance revaluation report of the aforesaid five independent directors, the Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, have approved and recommended to the shareholders re-appointment of Mr. S.Padmanabhan, Mr. Dilip J.Thakkar, and Dr Udo Weigel as Non-executive Independent Directors of the Company, not retire by rotation, for a second term of five consecutive years from 9th September, 2019. The Board of Directors of the Company also on the recommendation of the Nomination and Remuneration Committee, have approved and recommended to the shareholders re-appointment of Mr. Asit Javeri and Mr. Ramesh Adige as Non-executive Independent Directors of the Company, not liable to retire by rotation, for a second term of five consecutive years from 12th September, 2019.

All the aforesaid directors have given their consent to act as Non-executive Independent Directors of the Company and have also furnished necessary declarations to the Board that they meet the criteria of independence as per Section 149(6) of the Companies Act, 2013 and Regulations 16(1)(b) of SEBI Listing Regulations.

### In respect of Item No. 8

The Company has shifted its plant from Chinchwad to Chakan Industrial Area at Gat/Guth No.169 at Village Sawardari, Taluka Khed, District Pune. As all manufacturing operations and other administrative departments of the Company would be functioning from the new plant, it is essential to shift the registered office of the Company from Chinchwad, Pune to a new plant location. As the Registered office is proposed to be shifted outside the local limits of Pimpri-Chinchwad area, approval of the members of the Company is required by passing special resolution in terms of sub-section (5) of Section 12 of the Companies Act, 2013. Accordingly, this special resolution is proposed for approval of the members

The Board of Directors recommends passing of the special resolution at Item No.8 of the Notice..

None of the Directors, key managerial personnel and/or their relatives is concerned or interested in the Resolution.

### In respect of Item No. 9

The Company has taken a new plant at Gat/Guth No.169 at Village Sawardari, Taluka Khed, District Pune in Chakan Industrial Area on lease for a period of 10 years from Global Icon Projects LLP (the Lessor). In terms of a Deed of Lease entered into with the Lessor, the Company is required to execute in favour of the Lessor a corporate guarantee for an amount equivalent to the entire Lease Rent payable for the lock-in period of five years from 21st April, 2019 till 20th April, 2024. Hence the Company has to execute a corporate guarantee for a period of five years for an amount of Rs.16.13 crore (equivalent to Lease Rent payable for five years).

In terms of sub-section (2) of Section 186 of the Companies Act, 2013, prior approval of the members of the Company by means of a special resolution is required if the corporate guarantee amount exceeds sixty percent paid up share capital, free reserves and securities premium account or one hundred percent of free

reserves and securities premium account, whichever is more. Since, the amount of corporate guarantee to be executed would exceed this limit, the proposal is placed before the members for their approval by special resolution.

The Board of Directors recommends passing of the special resolution at Item No.9 of the Notice.

None of the Directors, key managerial personnel and/or their relatives is concerned or interested in the Resolution.

### In respect of Item No. 10

Based on the recommendation of the Audit Committee, the Board of Directors thought it expedient to appoint M/s. ABK & Associates as the Cost Auditor for Cost Audit of machinery and engineering business for the financial year 1st April, 2019, to 31st March, 2020 on a remuneration of Rs.1.65 lacs plus applicable taxes, and reimbursement of out of pocket expenses incurred for the purpose of audit subject to approval of remuneration by the Members. Section 148(3) read with Rule 14 of The Companies (Audit and Auditors) Rules 2014 prescribes that the remuneration of the Cost Auditor shall be approved by the Shareholders. Accordingly, this Ordinary Resolution is proposed for approval of the Members.

The Board of Directors recommends passing of the Ordinary Resolution at Item No.10 of the Notice.

None of the Directors, key managerial personnel and /or their relatives is concerned or interested in the Resolution.

By Order of the Board,

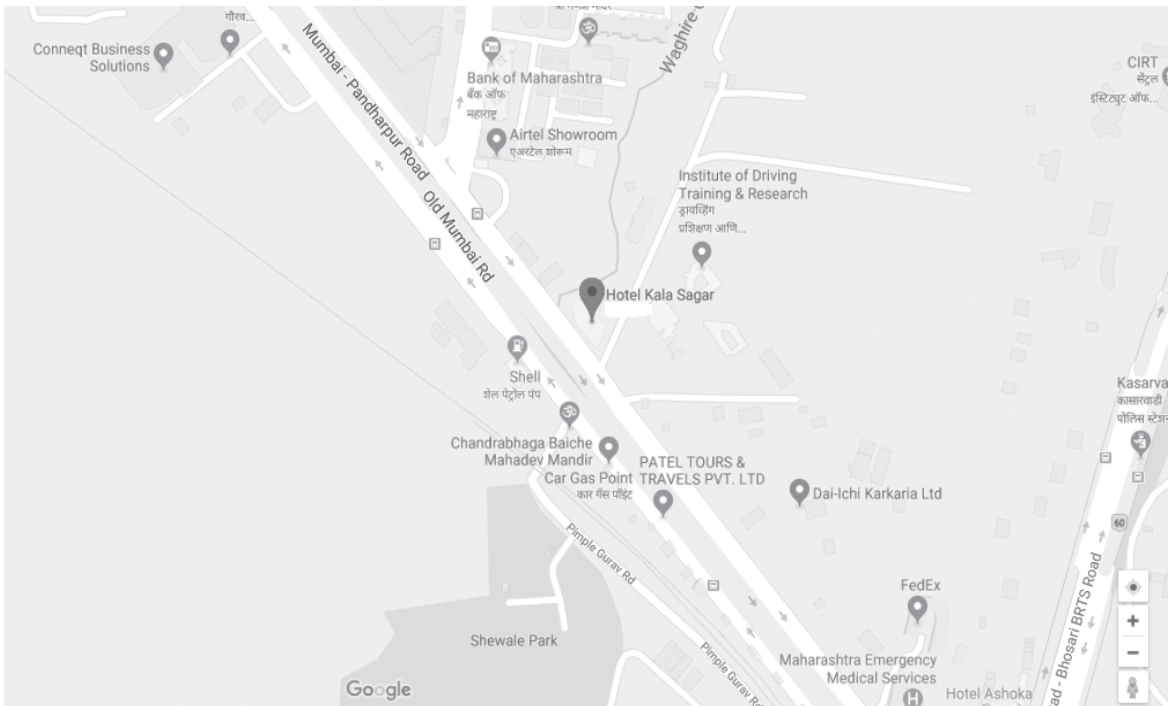
### Registered Office:

Mumbai-Pune Road  
Chinchwad  
Pune – 411 019  
Place: Mumbai  
Date: 22<sup>nd</sup> June, 2019

### Maitreya Doshi

Chairman &  
Managing Director

## ROUTE MAP OF THE VENUE





Registered Office: Mumbai-Pune Road, Chinchwad, Pune – 411 019. CIN : L34103PN1944PLC020842

### PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014

CIN : L34103PN1944PLC020842
Name of the Company : PREMIER LIMITED
Registered Office : Mumbai-Pune Road, Chinchwad, Pune – 411 019

Table with 2 columns: Field Name, Value. Fields include Name of the Member/s, Registered Address, E-mail ID, Folio No. / Client ID, DP ID.

I/ We, being the member/s of the above named Company, holding ..... No. of Equity Shares, hereby appoint :

- (1) Name ..... Address ..... E-mail ID ..... Signature ..... Or failing him
(2) Name ..... Address ..... E-mail ID ..... Signature ..... Or failing him
(3) Name ..... Address ..... E-mail ID ..... Signature .....

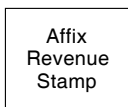
as my/our proxy to attend and vote (on a poll) for me/us and on my / our behalf at the 73rd Annual General Meeting of the Company, to be held on Monday, 9th September, 2019 at 10.30 a.m. at Hotel Kalasagar, Kasarwadi, P-4, MIDC, Mumbai-Pune Road, Pimpri, Pune 411 034 and at any adjournment/s thereof in respect of such resolutions as are indicated below:

Table with 3 columns: Resolution No., Resolution, Optional\* (For, Against). Contains 10 resolutions regarding financial statements, director appointments, and company office shifts.

Signed this ..... day of ..... 2019 Note: 1. The proxy in order to be effective should be duly stamped, completed and signed and deposited at the Registered Office of the Company, not less than 48 hours before the time for holding the aforesaid meeting.

Signature of the Shareholder

Signature of the Proxy holder/s



- 2. For the Resolutions, Explanatory statement and Notes, please refer to the Notice of the 73rd Annual General Meeting.
\*3. It is optional to put a "X" in the appropriate column against the Resolution indicated in the Box. If you leave the "For" or "Against" column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details of member(s) in above box before submission.